

A Study on Employee Attrition in Natura Tex PVT LTD Tirupur

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ABSTRACT

Employee attrition is a very huge problem globally. Attrition rate is increasing day by day, and especially the textile industry is affected the most in the present era. Why an Employee leaves a company is the question asked by most of the employers. Companies even hire Private HR professionals to study the company's work and find out why an employee is dissatisfied. HR department does the recruiting of new employees and then send them for training so that they can understand work and work culture and become better professionals. Each and every company faces employee turnover problem whether big or small. An employee leaves his present job for another job to get better pay package and good working conditions. Every Company calculates Employee attrition rate and takes measures to reduce it. The facts and figures are not made public as it may tarnish the image of the company in front of its own employees and its loyal customers. For this, a study on employee attrition is made at Natura Tex at Tirupur.

1. INTRODUCTION

Employee attrition and candidate absconding are significant business concerns for every organization, one even bigger than attracting talent. Employee attrition is a serious issue, especially in today's knowledge-driven marketplace where employees are the most important human capital assets; attrition impacts an organization's competitive advantage. The tangible costs of employee attrition would be the cost of training new employees, the recruitment and selection costs, adjustment time, possible product and/or service quality problems, costs of agency workers/ temporary staff, the cost of training, the cost of loss productivity, the cost of lost knowledge and the cost of the position remaining vacant till a suitable replacement is found. The intangible costs, which may be even more significant than the tangibles, involve the effect of attrition on organizational culture, employee morale, social capital or organizational memory. All these costs would significantly take away the profitability and the competitive advantage of the firm. It is imperative for every organization to understand what attracts and retains a potential candidate and predict attrition early in the recruitment process to curtail significant loss of productivity among hiring managers, recruiters and eventual loss of revenue and moneys.

MEANING OF ATTRITION

Attrition means an employee quitting his current job. Attrition occurs when employees expectations in return of services provided given to organization are not satisfactory it may be from the employer or from the employees. Work load, salary package, benefits, and job performance are some of the attributes that play a significant role in employee turnover.

2. OBJECTIVES OF THE STUDY

- To determine the employee attrition in the company.
- To evaluate the factors that influences the employee attrition in the company.
- To offer suggestions to reduce attrition level in Natura tex.

HYPOTHESIS

There is a significant relation between age, education, marital occupation and attrition factors of the employees.

3. METHODOLOGY

The research resign undertaken for the study is descriptive one. A study, which wants to portray the characteristics of a group or individuals or situation, is known as descriptive study. It is mostly qualitative in nature. The study mainly based on both primary and secondary data. Questionnaires are prepared and personal interview was conducted. Secondary data was collected from Internets, various books, Journals, and Company Records. The employees of the Natura Tex are 1060. The sample size for this study is 120 employees. Random sampling method technique was adopted.

4. DATA ANALYSIS AND INTERPRETATION

4.1 MAJOR FACTOR DETERMINES THE EMPLOYEE ATTRITION

MAJOR FACTOR DETERMINES THE EMPLOYEE ATTRITION

SL. NO	PARTICULARS	NO. OF RESPONDENTS	
		MEAN SCORE	RANK
1	Salary	1.69	III
2	Leave facilities	1.43	VI
3	Health & Medical facilities	1.29	X
4	Working hours	1.50	IV
5	Bonus scheme	1.35	VIII
6	Promotion policy	1.45	V
7	Workload	1.84	I
8	Welfare facilities	1.32	IX
9	Superiors approach	1.75	II
10	Incremental policy	1.22	XI
11	Co-ordination of co-workers	1.39	VII

Source: Primary data

TABLE NO 1

The table.1interpreted that the major factors determining the employee attrition in Natura Tex, Workload with the mean score of (1.84) ranked I, Superiors approach with the mean score (1.75) contributed second place, Salary with mean score (1.69) contributed third place and Incremental policy (Mean score 1.22) contributed eleventh place.

4.2 FACTORS THAT INFLUENCE THE EMPLOYEE ATTRITION IN NATURA TEX

FACTORS THAT INFLUENCE THE EMPLOYEE ATTRITION IN NATURA TEX

SL. NO	STATEMENTS	MEAN	RATINGS
1	Better remuneration offer at other firms	3.95	2
2	Lack of support from supervisors.	3.69	7
3	The job did not meet employee expectations.	3.99	1
4	Lack of coordination with co-workers	3.75	5
5	Does not recognize the talented employees.	3.46	10
6	Unpleasant working environment.	3.81	4
7	No Freedom for work	3.61	8
8	Lack of training facilities.	3.28	12
9	Lack of opportunity for advancement.	3.41	11
10	Work Stress	3.71	6
11	Frequent night shifts leading to dissatisfaction	3.87	3
12	Health Issues	3.54	9

Source: Primary data

TABLE NO 2

The above table.2 shows the factors that influence the Employee Attrition in Nature Tex. The job did not meet employee expectations is major factor influences for employee attrition, so it gets rank 1. It is followed by Better remuneration offer at other firms, Frequent night shifts leading to factor influence, Unpleasant working environment, Lack of coordination with co-workers, Work Stress, Lack of support from supervisors, No Freedom for work, Health Issues, Does not recognize the talented employees, Lack of opportunity for advancement and Lack of training facilities is with the mean score of 3.99, 3.95, 3.87, 3.81, 3.75, 3.71, 3.69, 3.61, 3.54, 3.46, 3.41 and 3.28 respectively.

CHI-SQUARE VALUES OF THE STATEMENTS AND EMPLOYEE OPINIONS OF ATTRITION CAUSES FACTORS

SL.NO	H ₀ STATEMENTS	P VALUE	OPINIONS
1	Unpleasant working environment is not reason.	11.464	Rejected
2	Lack of opportunities for advancement is not reason.	15.687	Rejected
3	Lack of support from supervisors is not reason.	7.644	Rejected
4	Job did not meet employee expectation is not reason.	10.283	Rejected
5	Lack of training facilities is not reason.	19.671	Accepted
6	Lack of coordination with co-workers is no reason	4.898	Rejected
7	Does not recognize the talented employees is not reason	18.697	Accepted
8	Freedom for work is not a reason	20.867	Accepted

Source: Primary data

TABLE NO 3

The above table.3 shows employee opinions towards the statements. Employees are accepted the statements like lack of training facilities is not reason, does not recognize the talented employees is not reason and freedom for work is not a reason for employee attrition, so the p

value is greater than the table. Employee are rejected the statements like Unpleasant working environment, Lack of

Opportunities for advancement, Lack of support from supervisors, Job did not meet employee expectation and Lack of coordination with co-workers are not reasons for employee attrition, so the p value is the less than the table.

PROFILE VARIABLES VS ATTRITION FACTORS

RELATIONSHIP BETWEEN AGE AND ATTRITION FACTORS

FACTORS	MEAN SQUARE	F-TEST	SIG.
Age and Attrition Factors			
Salaries, Bonus and Increment	11.596	23.485	.005
Employer, Superior and Co-worker Relationship	5.258	10.481	.000
Employee Expectations	5.791	11.899	.005
Facilities Available	6.439	18.622	.000
Policies & Measures	4.822	6.591	.005
Education and Attrition Factors			
Salaries, Bonus and Increment	10.42	24.398	.000
Employer, Superior and Co-worker Relationship	3.671	20.689	.000
Employee Expectations	4.962	20.572	.000
Facilities Available	5.484	28.056	.000
Policies & Measures	3.769	24.642	.000
Occupation and Attrition Factors			
Salaries, Bonus and Increment	12.46	3.122	.007
Employer, Superior and Co-worker Relationship	3.371	4.765	.040
Employee Expectations	4.101	5.243	.009
Facilities Available	5.168	2.871	.002
Policies & Measures	3.643	8.846	.002
Marital Status and Attrition Factors		t-test	
Salaries, Bonus and Increment	8.1683	23.392	.001
Employer, Superior & Co-worker Relationship	5.1527	13.229	.000
Employee Expectations	4.5681	59.918	.003
Facilities Available	4.2688	62.788	.000
Policies & Measures	5.3485	13.811	.000

Source: Primary data

TABLE NO 4

It is the evident by one way ANOVA test that there is a significant difference (at 0.05 levels) amongst the different categories of age, educational qualification and occupation of the respondents with the attrition factors. Hence, Null hypothesis is accepted. It is the evident by independent samples t-test that there is a significant difference (at 0.05 Levels) between the factors of attrition and their marital status. Hence, Null hypothesis is accepted.

STEPS TAKEN TO REDUCE ATTRITION**STEPS TAKEN TO REDUCE ATTRITION**

SL.NO	PARTICULARS	MEAN VALUE	RANKING
1	Skill Development	16.34	VII
2	Communication	25.91	IV
3	Management Support	30.62	II
4	Recognise achievements	33.45	I
5	Employee involves in Group Discussion	21.21	V
6	Create a great work environment	27.11	III
7	Show employees that you value them	12.63	VIII
8	Develop Strong middle manager	19.09	VI

Source: Primary data**TABLE NO 5**

The table.5 interpreted that Steps taken to Reduce attrition attrition in Natura Tex, Recognise achievements with the mean score of (33.45) ranked I, Management Support with the mean score (30.62) contributed second place, Create a great work environment with mean score (27.11) contributed third place and Show employees that you value them with the mean score of 12.63 ranked eighth place.

5. FINDINGS

- The study interpreted that the level of job dissatisfaction of workers in Natura Tex, Workload with the mean score of (1.84) ranked I, Superiors approach with the mean score (1.75) contributed second place and Incremental policy (Mean score 1.22) contributed eleventh place.
- The study shows reasons for Attrition and Ratings of mean values. The job did not meet employee expectations is major reason for employee attrition, so it gets rank 1. It is followed by Better remuneration offer at other firms, Frequent night shifts leading to dissatisfaction, Unpleasant working environment, Lack of coordination with co-workers, Work Stress, Lack of support from supervisors, No Freedom for work, Health Issues, Does not recognize the talented employees, Lack of opportunity for advancement and Lack of training facilities is with the mean score of 3.99, 3.95, 3.87, 3.81, 3.75, 3.71, 3.69, 3.61, 3.54, 3.46, 3.41 and 3.28 respectively.
- The study shows employee opinions towards the statements. Employees are accepted the statements like lack of training facilities is not reason, does not recognize the talented employees is not reason and freedom for work is not a reason for employee attrition, so the p value is greater than the table. Employee are rejected the statements like Unpleasant working environment, Lack of opportunities for advancement, Lack of support from supervisors, Job did not meet employee expectation and Lack of coordination with co-workers are not reasons for employee attrition, so the p value is the less than the table.
- It is the evident by one way ANOVA test that there is a significant difference (at 0.05 levels) amongst the different categories of age, education, occupation of the respondents with the attrition factors. Hence, Null hypothesis is accepted.

- It is the evident by independent samples t-test that there is a significant difference (at 0.05 Levels) between the factors of attrition and their marital status. Hence, Null hypothesis is accepted.
- The study interpreted that Steps taken to Reduce attrition in Natura Tex, Recognise achievements with the mean score of (33.45) ranked I, Management Support with the mean score (30.62) contributed second place and Show employees that you value them with the mean score of 12.63 ranked eighth place.

6. SUGGESTIONS

- Many employees have suggested improvement in working environment and employee motivation. So the companies should give attention to the factors which it can improve itself internally.
- The companies should conduct regular meetings to know about what exactly employees expect.
- The companies can look for some innovative technologies to decrease their attrition level by providing growth opportunities.
- Bonus should be given at regular intervals and pay should to be raised has concern a worker does great work.
- Provide some activity or program for distressing employees. Provide some program to relieve the anxiety and stress among employees.
- The rewards can be extended in order to motivate the employees.

7. CONCLUSION

The main aim of any organization is to earn profit. But to attain the maximum profit, the organization should concentrate more on employees and the ways to retain them for their long run. From the study it is identified that lack of growth opportunities and salary are the major factors which force employees to change their jobs. This study concludes that to reduce attrition in Natura Tex by creating some opportunities for the growth of their employees within the organization by adopting new Innovative Technologies and Effective training programs. The Natura Tex should also think of recruiting people who are in the vicinity of the industry, so that the family related problems will not lead to attrition.

8. REFERENCES

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