

AN EMPIRICAL STUDY ON MOTIVATION STRATEGIES AND THEIR IMPACT ON EMPLOYEE RETENTION AT ILINKS INFOTECH, TRICHY

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Abstract—In the present competitive and rapidly changing organizational environment, human resources play a vital role in achieving organizational success and sustainability. Employees are considered one of the most valuable assets of an organization, and their motivation and retention have become major concerns for management. Organizations today face challenges in retaining skilled and experienced employees due to increasing job opportunities, changing employee expectations, and workplace stress.

This Motivation strategies refer to the various methods and practices adopted by organizations to encourage employees to perform efficiently and remain committed to their work. These strategies include both financial and non-financial factors such as salary and incentives, recognition and rewards, career development opportunities, training programs, job security, supportive leadership, work-life balance, and a healthy working environment. When employees feel valued and motivated, they tend to develop a stronger sense of belonging toward the organization, which ultimately improves their performance and willingness to continue working with the organization for a longer period.

The research concludes that organizations must adopt a balanced and well-structured motivation system to enhance employee retention. The study provides practical insights for managers and HR professionals to design effective motivational policies that not only improve employee performance but also reduce turnover rates. The study is empirical in nature and is based on data collected directly from employees through structured questionnaires and personal interaction.

Keywords: Motivation Strategies, Employee Retention, Job Satisfaction, Financial and Non-Financial Incentive.

INTRODUCTION

Employee motivation plays a vital role in shaping work behavior, job satisfaction, productivity, and organizational commitment. Motivation refers to the internal and external factors that stimulate individuals to take actions that lead to the achievement of organizational and personal goals. Employees who are highly motivated tend to be more engaged, perform better, show greater loyalty, and contribute positively to the overall work culture. On the other hand, a lack of motivation often results in low morale, reduced productivity, absenteeism, and high employee turnover.

NEED OF THE STUDY

In the present competitive business environment, organizations are facing increasing challenges in attracting, motivating, and retaining skilled employees. High employee turnover leads to increased recruitment and training costs, loss of organizational knowledge, reduced productivity, and low employee morale. Therefore, understanding the factors that motivate employees and encourage them to stay with an organization has become a critical concern for management.

OBJECTIVE OF THE STUDY

Primary Objective

- An Empirical Study on motivation strategies and their impact on Employee Retention in ILinks InfoTech, Trichy.

Secondary Objectives

- To identify various financial and non-financial motivation strategies used in the organization.
- To measure employees' level of satisfaction with the existing motivation practices.
- To examine the influence of rewards and recognition on employee performance.
- To analyze the role of career growth and development opportunities in retaining employees.
- To suggest effective improvements in motivation strategies to reduce employee turnover.

SCOPE OF THE STUDY

- To examine different motivation strategies adopted by the organization such as financial and non-financial incentives.
- To analyze the relationship between motivation strategies and employee retention levels.
- To assess employee satisfaction towards existing motivational practices.
- To identify key factors influencing employees' decision to stay in the organization.
- To provide suggestions for improving motivation strategies to enhance employee retention.

LIMITATIONS OF THE STUDY

- Limited sample size may not represent all organizations or industries.
- Time constraints may restrict analysis of long-term impact on employee retention.
- Responses collected from employees may include personal bias or inaccurate information.
- Differences in organizational policies may limit generalization of the findings.
- External factors influencing employee retention may not be fully considered in the study.

RESEARCH METHODOLOGY

Research Design

The study adopts a Descriptive Research Design. Descriptive research is used to describe the characteristics, opinions, and behaviors of a specific population without manipulating any variables.

In this research, the descriptive design helps to:

- Identify different motivational strategies practiced in the organization.
- Understand employees' perceptions toward these strategies.
- Analyze the level of employee satisfaction and retention.
- Present the existing scenario of motivational practices within the organization.

This design is suitable because the study aims to describe and interpret the current relationship between motivation strategies and employee retention rather than establish cause-and-effect relationships.

Sample Size

The study includes 120 employees working in selected organizations. The sample size is considered adequate for statistical analysis and interpretation of data.

A sample of 100 respondents:

- Ensures representation of different departments and job roles.
- Provides sufficient data for meaningful statistical analysis.
- Enhances the reliability of findings.
- Helps in drawing valid conclusions about employee motivation and retention.

Sampling Method

The study uses Convenience Sampling Method, which is a type of non-probability sampling technique. In this method, respondents are selected based on their accessibility, availability, and willingness to participate in the survey. However, since it is a non-probability sampling technique, the results may have certain limitations in terms of generalization. Additionally, convenience sampling allows for quick and cost-effective data collection, making it suitable for studies with limited time and resources. It is particularly useful in exploratory research where the primary aim is to gain initial insights rather than make definitive conclusions.

Data Collection Method Primary Data

Primary data is collected directly from employees through a structured questionnaire. The questionnaire is designed with closed-ended questions to obtain clear and measurable responses.

The questionnaire covers the following areas:

- Financial rewards and incentives
- Recognition and appreciation programs
- Work environment and organizational culture
- Job satisfaction

The responses are measured using scaling techniques such as Likert scale (Strongly Agree to Strongly Disagree). This method ensures uniformity and ease of analysis.

Secondary Data

Secondary data is collected to support and strengthen the primary findings. It provides theoretical background and conceptual understanding of the topic.

Secondary data sources include:

- Books and journals related to Human Resource Management
- Research articles on motivation and employee retention
- Company annual reports and HR reports
- Online academic databases and websites

DATA ANALYSIS AND INTERPRETATION

Chi-Square Test:

Null Hypothesis (H_0):

There is no significant association between employees' job level and their opinion that motivation strategies help reduce employee turnover.

Alternative Hypothesis (H₁):

There is a significant association between employees' job level and their opinion that motivation strategies help reduce employee turnover.

What is your current job level in the organization * Motivation strategies implement by the organization help reduce employee turnover Crosstabulation

Motivation strategies implement by the organization help reduce employee turnover							Total
		Strongly agree	Agree	Neutral	Strongly disagree	Agree	
What is your current job level in the organization	Strongly agree	5	12	9	1	2	29
	Agree	7	21	4	3	4	39
	Neutral	5	6	8	6	2	27
	Disagree	2	2	1	0	0	5
Total		19	41	22	10	8	100

Chi-Square Tests

	Value	df	P Value
Pearson Chi-Square	16.062 ^a	12	.188
Likelihood Ratio	16.799	12	.157
Linear-by-Linear Association	.105	1	.746
N of Valid Cases	100		

INTERPRETATION:

The Chi-Square analysis was conducted to examine the association between employees' current job level and their opinion that motivation strategies help reduce employee turnover. The Pearson Chi-Square value is 16.062 with a significance value (p-value) of 0.188. Since the p-value is greater than the 0.05 level of significance, the null hypothesis is accepted.

This indicates that there is no significant association between employees' job level and their perception of motivation strategies in reducing employee turnover. Employees across different job levels have similar opinions regarding the effectiveness of motivation strategies implemented by the organization.

FINDINGS

1. 45% of respondents belong to the age group below 25 years.
2. 53% of respondents are female employees, while 47% are male employees.
3. 52% of respondents are undergraduates.
4. 37% of employees belong to the middle-level category.
5. 37% of respondents have 1–3 years of work experience.
6. 69% of employees agree that salary motivates better performance.
7. 59% of respondents believe incentives encourage higher productivity.

8. 61% of employees agree that bonuses improve organizational commitment.
9. 64% of employees feel financial rewards positively influence their motivation level.
10. 62% of respondents believe performance-based pay improves work efficiency.
11. 63% of respondents agree that recognition and appreciation increase employee motivation.
12. 60% of employees feel valued when their achievements are recognized.
13. 54% of respondents are satisfied with reward and recognition programs.
14. 66% of employees believe career growth opportunities strongly influence retention.
15. 65% of respondents agree that training and development programs improve employee satisfaction.
16. 58% of employees believe skill development opportunities increase commitment.
17. 67% of respondents agree that supportive leadership motivates employees.
18. 64% of employees feel communication with management is important for retention.
19. 70% of respondents believe a positive work environment improves employee morale.
20. 61% of employees agree that work-life balance affects their decision to stay.
21. 57% of respondents believe flexible working hours improve employee satisfaction.
22. 53% of employees feel organizational support reduces work stress.
23. 68% of respondents consider job security an important motivational factor.
24. 55% of employees agree that fair treatment improves commitment.
25. 59% of respondents believe teamwork and cooperation enhance workplace satisfaction.
26. 72% of employees agree that motivation strategies positively influence employee performance.
27. 61% of employees who feel motivated are more likely to remain in the organization.
28. 49% of respondents agreed that there is a positive relationship between motivation and employee retention.
29. 53% of respondents agreed that both financial and non-financial motivation strategies are important for retention.
30. 61% of respondents agreed that effective motivation practices help reduce employee turnover and improve organizational commitment.

SUGGESTIONS

- Provide attractive salary and incentive schemes to motivate employees.
- Strengthen reward and recognition programs regularly.
- Offer training and career development opportunities.
- Maintain supportive leadership and effective communication.
- Create a positive and healthy work environment.
- Improve work-life balance and flexible working hours.
- Ensure job security and employee welfare measures.
- Encourage teamwork and fair treatment among employees.
- Implement both financial and non-financial motivation strategies.
- Focus on employee satisfaction to improve retention.

CONCLUSION

The study concludes that motivation strategies have a significant impact on employee retention in the organization. Both financial motivation strategies, such as salary, incentives, and bonuses, and non-financial motivation strategies, such as recognition, career growth opportunities, supportive leadership, and work-life balance, play an important role in improving employee satisfaction and commitment. The findings reveal that motivated employees are more productive, loyal, and willing to continue working in the organization. Effective motivation practices help reduce employee turnover, improve organizational commitment, and create a positive work environment. Therefore, organizations should adopt suitable motivational strategies to retain talented employees and achieve long-term organizational success.

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