

A DIAGNOSTIC STUDY ON MAJOR FACTORS CONTRIBUTING TO EMPLOYEE ATTRITION WITH SPECIAL REFERENCE TO RAJSRIYA AUTOMOTIVE INDUSTRIES PVT LTD - HOSUR

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Abstract—Employees are the most valuable assets of an organization. It is they who add value to the organization in terms of quantity and quality as well. Therefore, it is indispensable to maintain a permanent and promising workforce; which over the years has become a tough task for employers and thereby increased attrition in the organizations. This research paper is an attempt to find out the causes of attrition from different dimensions. It undertakes the effect of the same on employer and employee both. Following this, some strange reasons for attrition have been discussed in this regard. The positive side of attrition has also been discussed upon. Role of leadership styles in controlling attrition has been undertaken in the paper. Further, the remedial measures have been discussed herein.

Keywords: Attrition, employee, employer, leadership, management, productivity, retention, organization.

INTRODUCTION

Employee attrition defines that the employees leaving the organisation in the means of Retirement and the Resignation. There are certain circumstances that the employee leaves the organisation without any prior notice. Certain factors such as the layoff, termination is not included in the Definition of the employee attrition. The cause of Attrition in the Organisation might be the voluntary or Non voluntary based on the situation. The attrition rates will vary among the organisation and based on the service of the Organisation. Each organisation has their own attrition rates and the attritions rate will vary among the Skilled and unskilled labours.

STATEMENT OF THE PROBLEM

Employee attrition is the biggest challenge that HRM is facing today. Attrition is the buzz words in the industry at Global level in general and in India in particular. Unlike other industries, the industry employs high skilled workers also known as 'knowledge workers'. Knowledge workers are assets of the company because knowledge is the source of profit and sustainable competitive advantage. The aim of the present report is to study factors like salary, superior – subordinate relationship, growth opportunities, facilities, policies and procedures, recognition, appreciation, suggestions, co-workers by which it helps to know the Attrition level in the organizations and factors relating to retain them. This study also helps to find out where the organizations are lagging in retaining.

OBJECTIVES OF THE STUDY

To study the major factors contributing to employee attrition in Rajsriya Automotive Industries P Ltd at Hosur.

SECONDARY OBJECTIVES

- To evaluate the influence of compensation and reward structures on employee satisfaction.
- To examine the impact of career development and growth opportunities on workforce retention.

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- To analyze the role of supervisory support and interpersonal relationships in the workplace.
- To assess the effectiveness of organizational policies and physical working conditions on employee stability.

SCOPE OF THE STUDY

- The scope of this study is confined to manufacturing industries in small scale industries category located Rajsriya Automotive Industries P Ltd, at Hosur.
- The study throws light through valuable suggestion to decrease attrition level in the organization.
- This study can help the management to find the weaker parts of the employee feels towards the organization and also helps in converting those weaker part in to stronger by providing the optimum suggestions or solutions.
- This study has a wider for scope in any kind of organization since —attritionl is general one and makes the employees to put forth their practical difficulties and need factors in the organization.
- This study can help the management to know for which the reason employees tend to change their job, through dissatisfaction factors faced in the organization and also helps to recover by providing the optimum suggestions or solutions.

LIMITATIONS OF THE STUDY

- Since the project is of qualitative nature there was the participant's bias in some cases.
- Some information cannot be accessed due to its confidential nature.
- The findings of the study are solely based on the information provided by the respondents
- Findings of the research may change due to area, demography, age condition of economy etc.

RESEARCH METHODOLOGY

Research methodology refers to a systematic framework adopted to address the research problem through the application of appropriate research methods and logical reasoning. It outlines the structured approach used to collect, examine, and interpret data in order to achieve the objectives of the study.

In academic research, methodology represents the set of procedures and techniques employed to identify relevant information, select suitable data sources, and analyze the collected data effectively. The methodology section of a research study enables readers to assess the credibility, validity, and reliability of the research findings by clearly explaining how the study was conducted.

RESEARCH DESIGN

After clearly defining the research problem, the next step involves developing an appropriate research design. Research design refers to the overall plan or framework that guides the collection and analysis of data in a systematic manner. It specifies the procedures required to gather relevant information and ensures that the data collected is aligned with the objectives of the study while maintaining efficiency in terms of time, cost, and effort. The research had adopted descriptive research design for the study.

Descriptive research design

Descriptive research design is widely employed across diverse fields, and its primary objective is to systematically observe and document all variables and conditions influencing the phenomenon.

SAMPLE DESIGN

Sampling is the process of selecting a representative portion from a larger population in order to draw conclusions about the entire group. Rather than studying the whole population, sampling enables the researcher to make reliable inferences

based on the selected subset. This approach helps in obtaining accurate information while reducing complexity and resource requirements.

Sampling Technique

The study adopted the convenience sampling method, in which respondents were selected based on the ease of access and availability to the researcher. Under this technique, sampling units are chosen primarily according to the researcher's convenience. This method was considered appropriate due to time constraints and ease of data collection.

To analyze the collected data, various statistical tools were employed. The data obtained from respondents were analyzed using percentage analysis, chi-square test, and correlation analysis in order to derive meaningful interpretations and conclusions.

POPULATION

The estimated total population of Rajsriya Automotive is approximately 200 skilled employees. This group is spread across their manufacturing Hosur

SAMPLE SIZE

Sample size means the number of sampling units selected from the organization for investigation. The total sample size that is taken for this study is 100.

DATA COLLECTION METHOD

i) Primary Data

Primary data refers to information collected directly by the researcher specifically for the purpose of the study. In this research, primary data was gathered from respondents through a structured questionnaire designed to address the research objectives.

ii) Secondary Data

Secondary data consists of information that has already been collected and recorded by other researchers or institutions. Such data sources include books, academic journals, government publications, reports, websites, surveys, and internal organizational records. Secondary data supports the study by providing background information and theoretical insights.

DATA ANALYSIS AND INTERPRETATION

CHI-SQUARE ANALYSIS

The table depicts the analysis between Educational qualification respondents of the learn new skills on the job.

Educational qualification / Learn new skills on the job	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
Illiterate	0	2	4	4	1	11
HSC	2	7	16	14	2	41
UG	1	4	10	9	1	25
PG	0	3	6	4	1	14
Others	0	2	4	3	0	9
Total	3	18	40	34	5	100

(Source: Primary Data) NULL HYPOTHESIS

HO: There is no significance between Educational qualification respondents of the learn new skills on the job.

ALTERNATIVE HYPOTHESIS

H1: There is significance between Educational qualification respondents of the learn new skills on the job.

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Particular	Observed Frequency(O)	Expected Frequency(E)	(O-E) ²	(O-E) ² / E
R1C1	0	0.3	0.09	0.3
R1C2	2	1.9	0.01	0.0052
R1C3	4	4.4	0.16	0.0363
R1C4	4	3.7	0.09	0.0243
R1C5	1	0.5	0.25	0.5
R2C1	2	1.5	0.25	0.1666
R2C2	7	7.3	0.09	0.0123
R2C3	16	16.4	0.16	0.0097
R2C4	14	13.9	0.01	0.0007
R2C5	2	2.0	0	0
R3C1	1	0.7	0.09	0.1285
R3C2	4	4.4	0.16	0.0363
R3C3	10	10	0	0
R3C4	9	8.5	0.25	0.0294
R3C5	1	1.2	0.04	0.0333
R4C1	0	0.4	0.16	0.4
R4C2	3	2.5	0.25	0.1
R4C3	6	5.6	0.16	0.0285
R4C4	4	4.4	0.16	0.0363
R4C5	1	0.7	0.09	0.1285
R5C1	0	0.2	0.04	0.2
R5C2	2	1.6	0.16	0.1
R5C3	4	3.6	0.16	0.0444
R5C4	3	3.0	0	0
R5C5	0	0.4	0.16	0.4
Calculated value				2.7203

$$\text{Chi square}(x^2) = \frac{(O - E)^2}{E}$$

Degree of freedom (v)	=	(R-1) (C-1)
	=	(5-1) (5-1)
	=	16
Level of Significance	=	5%
Table value (TV)	=	26.296

Calculated value:2.7203

RESULT

Since the calculated value is greater than the table value. So we reject the null hypothesis. There is no significance between Educational qualification respondents of the learn new skills on the job.

FINDINGS

1. Majority 52% of the respondents are female
2. Majority 46% of the respondent's age are 26-30 years.
3. Majority 53% of the respondents are married.
4. Majority 41% of the respondent's qualifications are HSC.
5. Majority 40% of the respondents income level are Rs.15,001 – Rs.20,000.
6. Majority 45% of the respondents experience are below 5 years.
7. Majority 41% of the respondent are neutral in organisation allow ability to maximum level.
8. Majority 38% of the respondents are neutral in salary compare with Competitor Company.
9. Majority 33% of the respondents are bonus given to the company in neutral
10. Majority 33% of the respondents are medium increment in the company.
11. Majority 36% of the respondents are dissatisfied level in salary and increment
12. Majority 39% of the respondent's encouragement getting from supervisors are neutral.
13. Majority 40% of the respondents are neutral in supervisor effort for job promotion.
14. Majority 46% of the respondents are neutral opportunities provided by the company.
15. Majority 32% of the respondents are neutral in chance getting promotion.
16. Majority 33% of the respondents are dissatisfied benefits and welfare facilities provided by the company.
17. Majority 45% of the respondents are neutral in physical working condition.
18. Majority 40% of the respondents are low in employee policies and procedure.
19. Majority 36% of the respondents are medium in employee policies.
20. Majority 29% of the respondents are high feeling of leaving the company.
21. Majority 36% of the respondents are neutral in recognition received for work done.
22. Majority 30% of the respondents are low promotion getting for outstanding performance.
23. Majority 35% of the respondents are low in appreciation receiving for good work.
24. Majority 40% of the respondents are neutral in encourage receiving new skills on the job.
25. Majority 33% of the respondents neutral in superior – subordinate relationship.

SUGGESTIONS

- To conduct a diagnostic study on employee attrition, start by analysing quantitative exit data alongside qualitative employee feedback to identify the primary drivers of turnover.
- Utilize HR metrics to pinpoint "hotspots" in specific departments or demographic groups and supplement this with anonymous "stay interviews" and exit surveys that focus on the psychological contract factors like perceived lack of career growth, inadequate remuneration, or poor work-life balance.
- By comparing these internal findings with industry benchmarks, you can determine if your attrition is a localized management issue or a reflection of broader market trends.
- Furthermore, the study should evaluate the organizational climate and leadership effectiveness through a root-cause analysis.
- Often, attrition is a "symptom" of deeper cultural issues, such as a lack of recognition or toxic supervision, which quantitative data alone cannot reveal.

CONCLUSION

Employee Attrition is an issue which every organization should give due concern and consideration in order that they retain employees and who could be influential in bringing stability, growth and foster organization development and thereby help realize organizations vision. If the three prolonged strategies of empowerment at work, professional development and strong bonding are followed, colleges can start seeing results at a faster rate.

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 industries should create some opportunities for the growth of their employees within the organization by adopting new Innovative Technologies and Effective training programs. The company 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.

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