

EMPLOYEE RETENTION– A STUDY ON THE CHALLENGES FACED IN RETAINING TALENTED WORKFORCE

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Abstract :

Purpose: The purpose of this paper is to increase understanding of Employee Retention and challenges faced to retain talented workforce in India in respect with the current socio-economic scenario.

Research Implications: This paper provides a preliminary understanding of meeting employment challenge and the importance of retaining talented workforce. Future research should use alternative methods, and verify and elaborate the findings.

Findings: In a country like India which is reaping benefits of demographic dividend it will be posed with quite a few employment challenges in order to retain workforce there is a need to create a system in which economic growth is related too job growth and where young talented professionals can raise their economic potential and take their skills where the demand is. There will have quite a few HR challenges in the next decade as we are going to have a younger workforce, more women at workplace many of them would be working mothers, dual career couples who are both professionals, increasing need and shortage in the number of skilled workers,

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KeyWords: Employment challenge, changing demographics, work life balance, Organizational Commitment, employee engagement, meaning quotient, competency development, reducing attrition.

INTRODUCTION

A decade has passed since the buzz of India's demographic dividend has started, but still India faces a lot of challenges in offering opportunities to its numerous young and retaining them is a bigger task. In India the gravity of the job universe has shifted to the service sector and that is where India needs to look to create a million new jobs every month and that requires education and training by harmonizing learning and education systems with the world's best and opening up global investment in education and training. Moreover young Indians need to be trained in soft skills, internet connectivity, cloud based business tools to sell their skills nationally and internationally. Now after creation of jobs it is very important to engage the employees, as engaged employees will stay longer and contribute in a more meaningful manner. As it finally depends on the employees to take the company towards a bright future by being totally engaged

towards the company. At times it is hard to understand why some employees work harder than their peers toward the same goal or objective, or why some seem to care more or exert greater effort on a project or in support of the company vision and direction. Stepping back to look at the science of human behavior can give enormous insight into what really drives people to make choices and take action. However, in business and in the design of employee reward and recognition initiatives, too often companies fail to consider the people whose behavior they are seeking to influence. Companies must better understand their employees as individuals to effectively motivate and engage them. According to Maritz Motivation Solutions Employee Values Study, less than half of Employees feel rewarded and recognized for their work performance in meaningful ways. The antecedents and consequences of job attitudes (i.e., job satisfaction, job involvement, organizational commitment) have been of great interest to behavioral scientists for much of the last century (Dipboye, Smith & Howell, 1994). Practitioners and researchers have gone to great lengths to understand and influence employee attitudes because of their relationships with important employee and organizational outcomes.

With companies today facing formidable talent challenges, the ability to sustain a steady supply of critical talent is a challenge facing all organisations worldwide. Among the issues impacting the 'next generation' workforce are impending skill shortages, an increasingly cross-generational and diverse workforce, the need for knowledge transfer from retiring baby boomers, and significant leadership gaps. India Inc has transformed into a volatile ground for breeding talent with the amplification of the demand-supply gap, thus making it a perennial challenge for HR managers in the days to come. As indicated by Randstad India's latest global Workmonitor Survey 2012, Indian employers will have trouble finding highly qualified people and this trend is set to continue for the next three years. This revelation has come as an eye-opener, as in order to run the game here on the challenge of a talent crunch will be amongst the foremost snags.

Today, organisations are looking for talent in a traditional way, which is by limiting the talent pool and not being ready to experiment with the new 'definition' of talent or address the aspirations of the modern-day worker. Industries are still highly concentrated in a few geographies/cities, and organisations are not leveraging technology/automation enough. Education and training systems are only catering requirements for a few industrial sectors with certain industries being more attractive for job seekers. There is a high churn of talent from industry to industry and organisation to organisation as employees perceive their employers as unable in providing meaningful career and engagement. This leads to a loss of accumulated enterprise knowledge," It is a proven fact that engaged employees help create engaged customers and hence, engaged investors and of course, a happy management team.

Drivers such as communication, performance clarity and feedback, organisational culture, rewards and recognition, relationships with managers and peers, career development opportunities and knowledge of the organisation's goals and vision are some of the factors that facilitate employee engagement.

The work culture in an organisation should be empowering and ought to encourage employees to think freely, ideate and be creative. One can think of many ways to communicate with teams, whether it is through 'engagement chats', that is structured or documented discussions with present employees or with the new team members aimed at sharing their experiences in the organisation. Progressive organisations, which aim at continuous improvement undoubtedly value these interactions and act upon the feedback received from the employees.

SIGNIFICANCE & IMPORTANCE:

Thus, Engagement is fundamentally an individualised equation. What might keep one employee engaged might turn-off the person sitting in the next cubicle. There are many variables that can impact one person's engagement, and the mix is individually unique. To be truly engaged, individuals need to be satisfied with their immediate work role and career opportunities. Employees feel satisfied when they accomplish results and know that their contribution is recognised and is adding value to the organisation. This leads to maximum satisfaction and contribution. "Every employee's relationship with his/her job is different, and what engages one is also different than the rest. For example, for some individuals, technically challenging work keeps them ticking, while for others, visibility (both internal and customer-facing) makes a difference. This is because every individual comes into an organisation with a different 'lens' – his/her family background and upbringing, education, peers, socio-economic class, aspirations, etc – and a combination of each of these defines what truly engages a person,"

HR heads in organisations constantly struggle to keep the attrition rates low. Losing a trained employee and then finding his replacement is, by no means, an easy task. One of the ongoing debates in human resources is whether training boosts or curbs attrition. There are two sides of the argument. On one

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hand, adequate training entitles an employee to much better job opportunities elsewhere and hence, gives them a reason to leave. After all in Friedman's flat world, accessibility to opportunity has improved drastically. On the other hand, training allows the management to engage the employee much better. There is greater involvement of the employee, greater association and scope for growth. Which direction will a company's training initiatives take? It will largely depend on the quality of training.

Gallup's Buckingham and Coffman (1999) claimed that the employees who are highly engaged would drive customer loyalty for the organization through their efforts. They introduce the term engagement by explaining it was "the right people in the right roles with the right manners drive employment".

That is why it is essential for the employer to address his employees needs for the supportive environment in terms of flexi – time or telecommunicating kind of arrangements. Hence it is crucial for organizations to find out what resources and benefits are most desired by employees and likely to create sense of obligation as these obligations are returned with further levels of engagement. In order to keep employees engaged its very essential to assign them meaningful work which increase their core competencies hence competency mapping can be used as an effective to asses competencies and retain talent

The field of competency development is growing in popularity with administrative management in businesses and agencies worldwide. One important reason to collect data and build competency models is that they are powerful decision-making tools. The best way to understand performance is to observe what people actually do to be successful rather than relying on assumptions pertaining to trait and intelligence. The best way to measure and predict performance is to assess whether people have key competencies. Competencies can be learnt and developed. They should be made visible/accessible They should be linked to meaningful life outcomes that describe how people should perform in the real world, by nurturing competencies ,Organizations gives scope to employees to grow and flourish which results into job enrichment

according to (Meyer and Allen 1991), organizational Commitment as a psychological attachment of a person to his /her Organization and there are less chances of leaving the concern voluntarily.

OBJECTIVES OF THE STUDY:

- 1)To study the importance of employee retention in the current changing socio economic scenario in India.
- 2)To understand the role of Organizations to promote employee engagement

LIMITATIONS OF THE STUDY:

The study is not exploratory as it is based only on secondary data from books, journal , news paper articles , websites etc .

Findings and Suggestions: The current globalization of economy necessitates innovative approaches in managing the work force. The fast changes happening in the demography and social systems thereof have given breathing space for various HR practices enhancing the employee productivity and growth. Employee turnover is highest among employees who are not satisfied with their jobs. Because qualified employees are becoming more scarce and difficult to retain, organizations need to focus on increasing employee satisfaction. It is essential that one useful approach for increasing employee satisfaction is to view workers as customers. Based on the notion of employee as customer, illustrates how a customer satisfaction measurement approach can be applied to the measurement of employee attitudes

Power has shifted from capital to people, although it is only some people who will ride high in the peoplism economy. They actively influence their work and their interpretations of work in order to attach a "meaningful quotient" to their work. Hence for organizations, investment in human capital is the foundation stone for success in the current global scenario. So the HR manager has to play a pivotal role along with organizations in order to align employee goals with organizational goals , to bring about employee engagement. Engagement is to become a daily priority, it has to be a shared responsibility. So, you must develop a focus on engagement, which maps out roles and responsibilities at each level of the organization, the work culture in an organization should be empowering and ought to encourage employees to think freely, ideate and be creative. Today employees want more, they want personal attention, they want their voice to be "heard" and "responded to" and they want it all "now".

CONCLUSION :

Conclusively, if the talent is not effectively managed and successfully deployed, it will not only result in dissatisfaction and disengagement of one's employees, but also hamper the overall business performance. So, to bridge the demand-supply gap and prime oneself for the envisaged talent crunch, the HR managers must put their talent management tools to effective use, thereby ensuring greater employee engagement.

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