

## “TO STUDY THE CAUSES OF WORKMEN ATTRITION”

**D. B. BAGUL**

“Director”, RJSPM, Institute of Computer and Management Research,  
Alandi, Pune.

### **Abstract:**

*This research studies and analyze the causes of attrition the company. This study has been conducted by the Simple Random Sampling of Workmen leaving the ASAL, Chakan, Pune. The research is based on the data collected from Direct Interviews, Questionnaires, Telephone interview, of the left employees as well as the employees presently working in the company.*

*The research begins with the introduction to attrition, definitions and types of attrition. Further the research explains the objectives and scope of the study. The research later moves to the company profile of ASAL.*

*Further ahead the research work speaks about the Research methodology used, the methods used to collect data, and analyses the data on various grounds to understand the causes of attrition.*

*Finally the research work reaches to its verdict regarding the analysis of the company so as to reach to a conclusion after analysis of the data and provide some suggestions and recommendations to overcome analyzed problem.*

*During tough times like recession, employee retention has become a successful tool in most of the sectors. In order to reduce attrition rate, it is necessary to find out the main causes that provoke employees to leave the company.*

*Human Resources department in ASAL gives priority to employee satisfaction, but needless to say this becomes Herculean task as ASAL is a totally customer-centric organization. In this regard the employees may feel a bit stressed and sense of belonging fades. Therefore this research tries to find out the possible causes of attrition.*

### **KEYWORDS :-**

research studies and analyze , Simple Random Sampling , Direct Interviews.

### **INTRODUCTION :-**

All organization can expect some degree of absence and attrition. Indeed a certain degree of attrition may be declarable since it creates opportunities to introduce new ideas and expertise to the organization, as well as providing career development opportunities for existing workmen. Persistently high levels of attrition, however, are costly both to the individual, organization and the economy as a whole and adversely affects efficiency, productivity, profitability and morale.

Over the last decade, a fast growing industrialization has attempted to assess whether alternate work Practices improve labour productivity, increase firm's profitability, and reduce attrition. The general presumption is that there consists a set of high performance work practices which under certain conditions will improve employee's wellbeing and lead them to the more productive, causing both an increase in labour productivity and a reduction in attrition.

Attrition is a ratio comparison on of the no. of employees a company must replace in a given time

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period to the average no of total employee. A huge concern to most company's attrition is a costly expense especially in lower paying job roles, for which attrition of any company and these can stem from both the employer and employees. Wages, company 'benefits, employee attendance and job performance ate all factors that plays significant role in attrition.

Employee may resign for various reasons. Sometimes it is the attraction of a new job or the prospect of a period outside the workforce which pulls them; on other occasions they are pushed due to dissatisfaction in their present jobs to seek alternative employment. Sometimes it is a mixture of both pools& push factors. For a fourth group, reasons for leaving are entirely explained by domestic circumstance outside the control of any employer as is the case when someone relocates with their spouse or partner.

It is important to know that the reasons people give for their resignations are frequently untrue or only partially true. They are reluctant to open voice. Criticism for their managers, colleagues or organization generally, preferring to give some less contentions reason for their exit.

There is no set level of attrition above which, effects on the employing organization become damaging. Everything depends on the type of labour markets in which you compete. Where it is relatively easy to find & train new employees quickly and at relatively little cost (i.e. where the labour market is loose) it is possible to sustain high quality levels of service provision despite having quality levels of service provision despite having a high attrition rate. By contrast where skills are relatively scarce, where recruitment is costly or where it takes several weeks to fill a vacancy, attrition is likely to be problematic from management point of view.

Sometimes attrition positively benefits organization this happens wherever a poor performer is replaced by a more effectively employee and can happen when a senior retirement, allows the promotion or acquisition of welcome “fresh blood” -Moderate levels of attrition can also help to reduce staff costs in organization where business levels are unpredictable month on month. In such situations where business is slack it is straightforward to hold off filling recently created vacancies for some week.

The purpose of this research was to discover reasons why personnel are leaving before becoming eligible for retirement.

“A reduction in the number of employees through retirement, resignation or death”. There are various factors that affect an individual's decision to leave a job. While an employee's leaving the job is considered attrition by one organization, it is looked at as talent acquisition by the new organization and to the individual it means a career move, economic growth and enhanced quality of life/convenience or closeness to family etc. Hence, what is a problem for one may be an opportunity for another? This research examines the key reasons for attrition in the company and explores what enhances retention as well as outlines some of the factors that can control attrition. It also touches up those factors that are beyond the control.

#### **MANAGING ATTRITION**

Managing attrition does not mean reducing attrition only. It could also mean bringing down the negative affects of attrition and increasing the positive affects of attrition. To increase the positive effects of attrition and reduce the negative affects, appropriate retention and capacity utilization or talent utilization tactics should be used. In one of the organizations, attrition has been used as brand building opportunity. Thus an organization may say that we provide talent for other companies or they may say that if you join us your brand value goes up and you get good jobs etc.

#### **Following steps can be taken to manage attrition in the company:**

First Find the Source of Attrition- where and why?  
Compensation, Financial restructuring and New Incentive schemes  
Employee Satisfaction Survey and Organization Culture interventions  
Celebrations and Social and cultural Networks  
Assimilation and Integration  
Strategic Recruitment  
Coaching services  
Employee Engagement (motivation)  
Market Driven Approach  
Job Design and OB Customization  
Change of Styles through 360 Degree Feedback and Internal Customer satisfaction Surveys.

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**SCOPE OF THE RESEARCH**

The scope of research was limited to ASAL (Automotive Stampings and Assemblies Limited), Chakan, Pune. The Research study was based on Simple Random sampling of 219 Workmen were selected for the survey, for the purpose of gathering information and to know their satisfaction level. The Questionnaire were floated and also filled up by Scheduled method. Feedback was collected and analyzed. This research mainly helps to find the root cause of attrition and suggesting measures to decrease attrition in the company.

- 1.The Research helps to identify the training needs of an employee.
- 2.The research has helped' to understand the perception, attitude, behavior of employees about their organization.
- 3.Helps to identify the needs for improving the Canteen facilities.
- 4.Helps to know the needs of motivation and overcome the incoming difficulties of employees turn over.

**OBJECTIVES OF THE RESEARCH**

To study the Causes of Workmen Attrition at ASAL.  
To understand functioning of Human Resources department in the company.  
To understand the globally faced problem of companies, “what is attrition?”  
To identify problem areas related to attrition in the company.  
To try finding solutions to the problems leading to attrition in present company and try to give appropriate suggestion with respect to reduce attrition and improve industrial relation.

**RESEARCH METHODOLOGY**

**Primary Data:**

Primary data is a raw data which is collected from the facts finding surveys. It includes surveys and facts finding enquires of the different kinds. The measure purpose of the descriptive research is description of the state of affairs as its exists at present.

**Secondary Data:**

Secondary data is the data used previously for the analysis and the result are taken for the next process. It is available in the magazines, newspapers, books etc.

**Secondary data was collected from the following**

Smart pay software for collecting information of the employee.  
Website: [www.autostampings.com](http://www.autostampings.com)  
Reference books.

**POPULATION**

TYPE OF WORKMEN	NUMBER OF WORKMEN
Permanent	238
2 year	276
7 month	658
EPP (Employment Promotion Program)	280
<b>Total</b>	<b>1452</b>

**Estimated workmen strength to be covered:**

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TYPE OF WORKMEN	NUMBER OF WORKMEN	
Permanent	238 X 15%	36
2 year	276 X 15%	41
7 month	658 X 15%	99
EPP (Employment Promotion Program)	280 X 15%	42
<b>Total</b>	<b>1452 X 15%</b>	<b>218</b>

**Actual employee’s strength covered:**

TYPE OF WORKMEN	NUMBER OF WORKMEN	
Permanent	65	27 %
2 year	60	22.5%
7 month	63	9.5%
EPP (Employment Promotion Program)	31	11%
<b>Total</b>	<b>219</b>	

**FINDINGS AND OBSERVATIONS**

**FINDINGS**

1. We found that maximum employees are dissatisfied with the Salary structure as it does not fulfill the basic needs because as the rate of housing, food, and education has increased proportionately there is no increase in employee's salary.
2. We found that maximum workmen are not been rewarded or recognized for doing good job this is because of the political bias and has result into loss of willingness to delivered quality work.
3. We found that maximum numbers of employee from E2, and E3 category believes that their job is not secured in ASAL because company is not giving them assurance to make them permanent and still they work as they have no choice.
4. We found that workmen resign or revoke their job due to following reasons :
  - Salary Issues: In this case it is found that most of casual workers leave their job because of no timely payment, incorrect recording of absentees, no timely issuing of joining and experience letters, problems in bank account, incorrect recording of OT's, no daily recording of leaving or joining of workmen and behavior of time officeperson.
  - Lack of Growth Opportunities/ Challenging Responsibilities. Here it is found that doing repetitive work makes feel bored and also no development. HIGHER EDUCATION: - most of the casual's workmen prefer for taking further education like Diploma, Degree, ITI etc. for which many of them have left their job.
  - Work Life Balance We find that casuals were forced to achieve the targets in time and were forced to do OT's.
5. We found that maximum number of workmen feel that there is no co-ordial relationship between employee and manager.
6. We found that training programmes have not been conducted have resulted into lack of confidence and development of workmen.
7. We find that workmen are dissatisfied with the working conditions in the organization.
8. Workers are satisfied with the safety measures in the organization.
9. It is found that most of the workmen are dissatisfied with welfare facilities

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#### **OBSERVATIONS**

One of the major reasons of attrition is better opportunities for the employees elsewhere; which clearly indicate that, ASAL is renowned and respected automotive brand, so working with ASAL adds value to the employee's career and their market value rises sharply.

ASAL shows its concern for environment by having Waste water treatment plant, planting more than 100 trees in surrounding areas, by using eco friendly lubricant which is easily degraded.

Many of the workmen are having bad habits of Chewing Gutakas, Tobacco, etc. during working hours and spitting on the floors, Walls, and on dustbins.

Many of the Permanent as well as casual employee carries their cell phone with them in Shop floor in spite of its prohibition in company's area.

In Tool Room Department, Line 4 Press Shop near the tea point area many rodents have been found coming out of drainage system and running on floors.

It is observed that new entrants (Casuals employees) leave their job for not getting Aprons and Shoes in time because of which they are not been allowed to work at shop floors.

#### **CONCLUSION**

1. Review of literature revealed that very few studies were conducted in the field of attrition especially concerning with Blue collar Workmen, very few secondary data was available on this topic.

2. Research has always been the most interesting as well as intriguing subject for both company and researcher.

3. I got an opportunity to learn various functions of Human Resource department in the company. During this research work I could correlate the theoretical concepts to the practical situations and learned how to apply theoretical knowledge.

4. During the research work I understood the globally faced problem of industries of Attrition. I got an opportunity to identify the problem areas related to the attrition in the company.

5. Researcher had tried to understand the causes that compel workmen to leave the job. I also tried to study the causes of attrition and the effects of the attrition on the functioning of the company.

6. The Human element of organization is the most crucial asset of an organization. Taking a closure perspective it is very quality of this asset that sets and organization apart from the others. Thus, one can grasp the strategic implications that the manpower of an organization has in shaping the fortunes of an organization.

7. During this research work it was found that Salary issues, Higher Education, Lack of growth opportunities / Challenging responsibilities, Work life balance no assurance of job security, no co-ordial relationship between workmen and Manager were found to be direct causes of Attrition. Whereas indirect reasons such as not providing good working atmosphere, welfare facilities could be the reasons for attrition.

#### **SUGGESTIONS**

1. Company should restructure the salary of an workmen on region-cum- industrial basis.

2. Company should start the Reward Award system for the workers doing good job which will increase the morale and will encourage workmen for doing productive work.

3. Company should make timely payment of as per the Payment of Wages Act 1936. Work life balance - A balance between works and the personal goals and wants of an employee contribute positively to the retention of workmen.

4. Minimize the gap between management and workers through proper communication.

The workforce should also find- satisfaction in their job, feeling important and challenged and allowed to participate and contribute intellectual as well as physical attributes they bring with them. Assure that people can speak their mind even when their ideas may be contrary to existing policy, No one should be afraid to make suggestion for change or improvement of operations is these in the field or administrative. Empower the employee.

Company should create the awareness in the worker towards the importance of team work.

5. Company should create a sense of responsibility in worker towards work.

6. Company should provide good working conditions by providing good Ventilation facility in weld shop to eliminate dusts and fumes problem Provide adequate Latrines - urinals spaces as per the provisions of Factories Act 1948.

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