A Study Factors Influencing Employees Turnover Rate at Bindhu Engineering Industries, Coimbatore

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ABSTRACT

This study examines about the Factors influencing Employees Turnover Rate. The primary method of data collection used for this study with 500 peoples. Correlation analysis method is taken to find out the Inter connection between the variable. Regression analysis method is taken to find out Impact between the variables. Chi- Square and Anova analysis is used to find the relationship between the variable. Weighted Average method is used to find out the respondent's behaviour. The main objective of the study is to understand the Employees turnover and causes of employee's turnover

INTRODUCTION

Employee turnover is something all companies should pay attention to, because the effects of turnover will be different for every organization. Some degree of turnover is unavoidable, and eliminating turnover altogether is unrealistic. That being said, it's important to figure out the balance of departures and new hires that works best for your company. We want to help you understand the types of turnover and their implications, and offer tips on reducing your turnover rate.

DEFINITION OF EMPLOYEE TURNOVER

A simple definition of employee turnover is how many people leave an organization and are then replaced by new employees in a given timeframe. Usually, turnover rates are calculated by a fiscal year. Employee turnover can have certain negative impacts on a company, which we'll get into, but it isn't necessarily all bad.

Voluntary vs. Involuntary Turnover

There's a distinction to be made between voluntary and involuntary employee turnover. Voluntary turnover happens when employees are replaced after leaving by their own choice, and involuntary turnover happens when employees are replaced after termination.

Undesirable vs. Desirable Turnover

Turnover is considered undesirable when a company loses high performing and otherwise valuable employees and replacement is difficult and expensive. On the other hand, turnover is

considered desirable when a company loses underperforming employees and replaces them with employees who will improve output.

1.1 OBJECTIVES OF THE STUDY

The overall objective of the study was to assess the impacts of employee turnover on organizational efficiency.

- To evaluate the causes of employees' turnover.
- To assess the impact of employees' turnover on organizational efficiency.
- To determine the mitigating strategies of reducing employees' turnover.
- To determine the relationship between job satisfaction and turnover intention in Bindhu Engineering at Coimbatore
- To determine the relationship between role stress and turnover intention in organization.
- To determine the relationship between leader-member exchange and turnover intention in industry.
- To determine the relationship between human resources management practices and turnover intention

1.2 NEED FOR THE STUDY

Improve the Hiring Process

The hiring process is where it all begins, so it's important to get it right. Ask questions about who your candidates are as people in your interviews, not just their technical experience, and have them perform a "work sample" test with a few members of the team to see how their skills and personality integrate. Having a more thorough hiring process will benefit you in the long run.

Improve the Onboarding Process

As much as 20% of employee turnover happens in the first 45 days, and a big part of that is due to an improper onboarding. Be sure to set proper expectations, make them feel welcome, collect feedback and touch base with them often with weekly check-ins. Try having a team lunch within the first week of onboarding a new employee so they can get to know everyone.

Set Clear Goals and Expectations

If employees don't have a clear vision of their role, it can lead to disengagement and underperformance. Making sure that each employee has a mutual understanding with their manager of their roles and responsibilities is crucial to keeping them on track, and keeping them around.

1.3 SCOPE OF THE STUDY

Employees" turnover is wide in the sense it includes voluntary and involuntary turnover. This study however, addresses only voluntary turnover of employee in the organizations. The study also delimits itself on voluntary employee turnover in bindhu Engineering, it does not focus all department. Also, with in the offices, the study focused on selected area of professional employees who are currently working in selected area. However, the recommendation provide can help the organization as well as other department, profit making and service provider organizations to retain and utilize their well trained and well experienced employees.

1. 4 LIMITATIONS OF THE STUDY

- The study was fined confined only to non-Executives.
- The study has to be completed within a stipulated time period and hence time was a major constraint.

- Reluctance of concerned person to spend enough time for answering the questions was considered to be another major can strait.
- The sample size is restricted date time constrains.
  Due to prejudice, respondents might have given false information which learns to biased conclusion

2. Review of Literature

2.1 **Andre Azouryed al (2015)** This study aims to analyze the employee engagement in family and non-family firms and the factors that affect the process of engagement like: psychological factors, compensation and communication. After the presentation at the theoretical framework summarized by a deep literature review, a methodological and empirical posture has been elaborated to analyze the factors that influence the employee engagement in both family and non-family firms. Finally, the implementation of a questionnaire was held to present the statistical and practices cases that suit my subject of study.

2.2 **JungHoon (Jay) Lee (2016)** Many practitioners consider employee engagement a new human resource practice through which business can cope with uncertain and textiles industry conditions. However, the academic community is still in need of finding predictors of employee engagement. The purpose of this study was to provide theory-based empirical evidence on whether employee evaluations of self (i.e., core self-evaluations) and perceptions of organizational work environment (i.e., psychological climate) affect employee engagement. Kahn's theory of three psychological conditions and Demerouti and her associates' job demands–resources model were used for theoretical frameworks. Data were collected from 394 hotel line-employees and managers in the United States.

2.3 **Osman M. Karatepeed al (2017)** Drawing on the transactional theory of stress, a research model investigating whether challenge stressors, as manifested by work overload and job responsibility, heighten work engagement and organizationally valued job outcomes is proposed and tested. Using data gathered from frontline employees with a time lag of two weeks and their supervisors in the five-star hotels in Northern Cyprus, the relationships were assessed through structural equation modeling. As hypothesized, work engagement fully mediates the effects of challenge stressors on affective organizational commitment and job performance. Employees who experience such stressors are engaged in their work, and therefore, display positive job outcomes. Theoretical implications as well as management implications are discussed in the article.

2.4 **Robert Pellegrinoed al (2018)** Poor hand hygiene is a leading cause for the spread of textiles borne illnesses in the textiles service industry. A series of complex motivational interventions must be employed to permanently change the behavior of workers, to increase their compliance and sustain appropriate levels of proper hand hygiene. Unlike the healthcare industry, which uses large, costly multi-modal behavior modification strategies, the textiles service industry must deploy rapid, cost-efficient strategies that take into account a high employee turnover rate and diverse demographics. This paper reviews the current motivational models used in the textiles service industry and examines the habitual nature of complying with good hand hygiene.

2.5 **Chia-Jung Chou (2019)** Recent trends in green consumerism are leading the hotel industry to assume corporate social responsibility that may place the industry at the forefront of green innovation. Research reveals that adopting green practices is beneficial for the hotel and tourism industry. Nonetheless, a corporation's success in adopting green practices depends not only on corporate attitudes towards environmental issues but also on its employees' personal beliefs and everyday actions. This study fills the gap

in existing research by adopting the concept of a "green organizational climate" and using personal belief variables to explore the contextual and individual variation in hotel employees' environmental behaviour.

2.6 **AnastasiosZopiatised al (2020)** The study of attitudes at work seeks to enhance organizational knowledge and capabilities in developing an 'ideal' working environment that delivers exceptional customer service. The current study investigates the causal relationships of job involvement, organizational commitment (normative and affective), and job satisfaction (intrinsic and extrinsic), with the intention of employees in Cyprus to either remain at or leave their job. Utilizing structural equation modeling, positive associations were found between job involvement, affective and normative commitment, and intrinsic job satisfaction. Positive associations between affective and normative organizational commitment, and intrinsic and extrinsic job satisfaction were also found. In addition, negative associations between affective organizational commitment, extrinsic job satisfaction and turnover intention were revealed. However, a negative association between intrinsic job satisfaction and turnover intention was not supported. The implications of these results for future research are also discussed.

2.7 **Sarina Abdul HalimLimed al (2021)** Statistical process control (SPC) is one of the most highly used quality control techniques in the industry. The lack of specific implementation guidelines makes it the least applied quality control technique in the textiles industry. This paper makes unique contributions by presenting a systematic approach for the managers of this industry to successfully deploy SPC in their organizations

3. RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

"A Research Design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with the economy in procedure". The research design adopted for the studies is descriptive design. The researcher has to describe the present situation in order to know the behaviour of the consumers. Hence descriptive research study is used. Descriptive research can only report what has happened and what is happening.

3.2 Method of collection

The study basically uses primary and secondary data. Primary data means data which is fresh collected data. Primary data mainly been collected through personal interviews, surveys etc. Secondary data means the data that are already available. Generally speaking secondary data is collected by some organizations or agencies which have already been processed when the researcher utilizes secondary data; the process of secondary data collection and analysis is called desk research. Secondary data provides economy in time and cost.

3.3 Sample Design

Convenience sampling techniques were used for the study. For the purpose of study a simple random sample method is adopted. The random is drawn from the garments chosen for the study. The majority of the focus is given to the engineering companies at Coimbatore.

The respondent's time and approach become key limiting factor to meet as per plan. However, it is planned in a meticulous way and collected 110 samples as per target

3.4 SAMPLE SIZE

The study based only on the opinion and expectation of consumer. Total number of samples taken for the study is 200 respondents

3.5 SAMPLE METHOD

Simple random sampling is used in this study

3.6 DATA ANALYSIS AND INTERPRETATION

- WEIGHTED AVERAGE METHOD
- REGRESSION
- ANOVA
- CORRELATION
- CHI-SQUARE

3.7 SCALING METHOD

Likert five point scaling method is used for this study

4 DATA ANALYSIS AND INTERPRETATION

4.1 ORGANIZATION PERFORMANCE

ORGANIZATION PERFORMANCE	WEIGHT	NO OF RESPONDENTS	TOTAL WEIGHT
Highly satisfied	5	66	330
Satisfied	4	66	264
Neutral	3	38	114
Dissatisfied	2	26	52
Highly dissatisfied	1	4	4
TOTAL		$\sum X$ =200	$\sum WE$ =764

WEIGHT AVERAGE = $\sum WE / \sum X$

= 764/200

ANSWER = 3.82

Chart showing the Respondents Opinion towards Organization Performance

Organization Performance
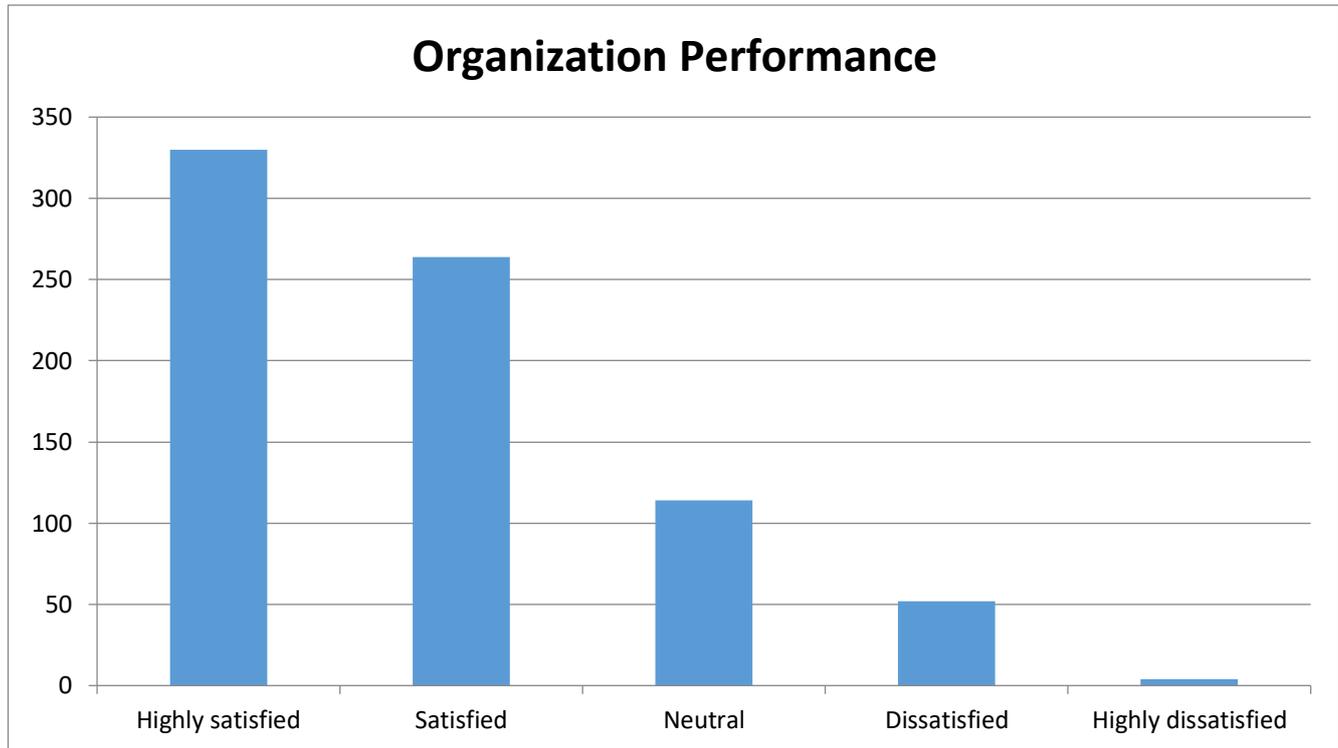
REGRESSION

NULL HYPOTHESIS

H_O: There is no significance relationship between reward culture and compensation benefits.

ALTERNATIVE HYPOTHESIS

H_1: There is a significance relationship between reward culture and compensation benefits.

Variables Entered/Removed[b]

Model	Variables Entered	Variables Removed	Method
1	Compensation & Benefits[a]	.	Enter

a. All requested variables entered.

b. Dependent Variable: Reward Culture

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.109[a]	.012	.007	1.303

a. Predictors: (Constant), Compensation & Benefits

ANOVA[b]

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	4.016	1	4.016	2.367	.126[a]
Residual	335.979	198	1.697		
Total	339.995	199			

a. Predictors: (Constant), Compensation & Benefits

b. Dependent Variable: Reward Culture

Coefficients[a]

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta		
(Constant)	2.244	.193		11.640	.000
Compensation & Benefits	.114	.074	.109	1.539	.126

a. Dependent Variable: Reward Culture

RESULT

This is a positive Regression. There is a significance relationship between reward culture and compensation benefits.

ANOVA -

ONEWAY ANOVA:

H0: There is no significant relationship between Training Program and Career Development

H1: There is a significant relationship between training Program and Career Development

ANOVA

Training Program

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.011	4	.253	.208	.934
Within Groups	236.989	195	1.215		
Total	238.000	199			

Training Program

Tukey B

		Subset for alpha = 0.05
		1
Dissatisfied	24	1.88
Neutral	36	1.94
Satisfied	67	1.99
Highly satisfied	65	2.08
Highly dissatisfied	8	2.12

Means for groups in homogeneous subsets are displayed.

From the above table it is observed that training Program and Career Development expected value is (0.208) is lesser than the significance value (0.934). Hence, the Null hypothesis is rejected. Therefore, there is a significant relationship between training Program and Career Development. Null hypothesis (H0) rejected the Alternative hypothesis (H1) accepted.

CORRELATIONS

The table shows that the relationship between Job Engagement and Participation in Decision making

Correlations

		Job Engagement	Participation in Decision making
	Pearson Correlation	1	.088
	Sig. (2-tailed)		.218
	N	200	200
	Pearson Correlation	.088	1
	Sig. (2-tailed)	.218	
	N	200	200

Nonparametric Correlations

Correlations

		Job Engagement	Participation in Decision making
	Correlation Coefficient	1.000	.125*
	Sig. (2-tailed)	.	.033
	N	200	200
	Correlation Coefficient	.125*	1.000
	Sig. (2-tailed)	.033	.
	N	200	200
	Correlation Coefficient	1.000	.148*
	Sig. (2-tailed)	.	.036
	N	200	200
	Correlation Coefficient	.148*	1.000
	Sig. (2-tailed)	.036	.
	N	200	200

*. Correlation is significant at the 0.05 level (2-tailed).

RESULT

This is a positive correlation. There are relationships between Job Engagement and Participation in Decision making.

CHI-SQUARE TEST -I

NULL HYPOTHESIS

H_O: There is no significance relationship between Organization Productivity Factors and Employee Attitude

ALTERNATIVE HYPOTHESIS

H_1: There is a significance relationship between Organization Productivity Factors and Employee Attitude

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Organization Productivity Factors * Employee Attitude	200	100.0%	0	.0%	200	100.0%

Organization Productivity Factors * Employee Attitude Crosstabulation

Count

		Employee Attitude					
		Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	
	Highly satisfied	24	15	11	9	3	62
	Satisfied	22	23	10	6	5	66
	Neutral	15	11	6	2	2	36
	Dissatisfied	5	9	6	1	5	26
	Highly dissatisfied	3	2	0	1	4	10
Total		69	60	33	19	19	200

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	24.664[a]	16	.076
Likelihood Ratio	22.172	16	.138
Linear-by-Linear Association	3.385	1	.066
N of Valid Cases	200		

a. 10 cells (40.0%) have expected count less than 5. The minimum expected count is .95.

RESULT

Hence the value is less than 0.05, we accept null hypothesis and reject alternate hypothesis. So, there is no significant difference between Organization Productivity Factors and Employee Attitude.

5. FINDINGS

- weight average for organization performance is 3.82
- There is a significance relationship between reward culture and compensation benefits.
- There is a significant relationship between training Program and Career Development
- There are relationships between Job Engagement and Participation in Decision making.
- There is no significant difference between Organization Productivity Factors and Employee Attitude.

6. SUGGESTIONS

- The factors that cause employees turnover in the construction firms were highlighted under some factors which include financial factors, management factors, organizational factors and personality factors. If continually ignored, employee turnover rate will be on the increase and job performance will be affected.
- It is expected that the under listed recommendations are made to enhance the minimization of employee turnover in the construction industries.
- Employees in an organization should be given additional training to the ones they already had and also they should be given the opportunity to go for further studies.
- Construction firms should learn to recruit and train employees within the firm (internal recruitment).
- Construction firms should provide positive working environment for its employees for the betterment of their work.
- Employees who are hard working with the firms should be identified and rewarded for their hard work. However, this study was able to assess employee turnover and its effect on job performance and measures by which it can be minimized. A more comprehensive data and analysis on employees turnover would involve getting more information from clients on how employees turnover has affected the completion of their projects.

- Having understood the causes of employees turnover rate, and ways in which employee turnover rate can be minimized. This research also suggested that construction firms should learn to recruit and train employees within the construction firm (internal recruitment).

7. CONCLUSION

From the employees perspective it can be concluded that employee turnover is not a natural phenomenon. There are reasons which lead to increase in attrition. It is observed that both the external and internal factors are responsible for employee turnover. Among the external factors opportunity for growth and promotion outside, location and work life space are the important. And among the internal factors compensation, work timing / shifts, working conditions, relations with supervisor / manager, opportunity to use skills, work load are important respectively. From the perspective of managers, it can be concluded that the factors that lead to increase in employee turnover are majorly internal to bindhu engineering. Although the external factors also influence, but as the management of the company does not have any control over the external factors it can focus on modifying the internal factors to enhance the retention of the employees in bindhu engineering.

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