

# A Study on Analyzing the Factors Affecting Employee Retention in Saravana Selvarathinam Retail Store

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## ABSTRACT

Employee retention is a critical challenge for organizations in the competitive retail sector, directly impacting organizational performance and sustainability. This study investigates the multifaceted factors influencing employee retention at Saravana Selvarathinam Retail Store, a prominent retail establishment. Through a comprehensive mixed-methods approach, the research examines organizational, personal, and environmental determinants that contribute to employee turnover and engagement. By analyzing survey data, conducting in-depth interviews, and employing statistical techniques, the study aims to provide actionable insights for improving workforce stability and strategic human resource management.

**Keywords:** *Employee Retention, Retail Management, Organizational Commitment, Job Satisfaction, Human Resource Strategies*

## INTRODUCTION

The retail sector is characterized by dynamic workforce challenges, with employee retention emerging as a significant operational concern for organizations worldwide. Saravana Selvarathinam Retail Store, a notable player in the retail landscape, faces ongoing challenges in maintaining a stable and motivated workforce. High employee turnover not only incurs substantial recruitment and training costs but also disrupts organizational productivity and service quality.

Contemporary business environments demand sophisticated approaches to understanding and addressing workforce dynamics. Employees are no longer viewed merely as resources but as critical stakeholders whose experiences, motivations, and career aspirations directly influence organizational success. The retail sector, with its inherent pressures of customer interaction, performance targets, and competitive compensation structures, presents unique challenges in maintaining employee engagement and loyalty.

This research recognizes that employee retention is a complex phenomenon influenced by interconnected factors spanning individual, organizational, and external domains. By systematically examining these dimensions, the study seeks to develop a nuanced understanding of the retention challenges specific to Saravana Selvarathinam Retail Store.

## OBJECTIVES OF THE STUDY

### Primary Objective

To comprehensively analyse and identify the key factors that significantly influence employee retention within Saravana Selvarathinam Retail Store, with the ultimate goal of developing strategic recommendations to improve employee satisfaction and reduce turnover.

## Secondary Objectives

### 1. **Workforce Demographic Analysis**

- Examine the current employee demographic composition
- Investigate the relationship between demographic factors (age, gender, education, tenure) and employee retention rates

### 2. **Organizational Culture and Work Environment Assessment**

- Evaluate the impact of workplace culture on employee motivation and commitment
- Assess the effectiveness of current management practices and leadership styles in promoting employee engagement

### 3. **Compensation and Benefits Evaluation**

- Analyze the correlation between compensation packages, benefits, and employee retention

### 4. **Compare the store's compensation structure with industry benchmarksCareer Development and Growth Opportunities**

- Investigate employees' perceptions of career progression and professional development opportunities
- Identify barriers to career advancement within the organization

### 5. **Job Satisfaction and Motivation Factors**

- Explore the key drivers of job satisfaction among employees
- Understand the primary motivational factors that contribute to long-term employee commitment

### 6. **Turnover Impact Analysis**

- Quantify the financial and operational costs associated with employee turnover
- Develop insights into the potential long-term consequences of high employee turnover

### 7. **Comparative Benchmarking**

- Compare the employee retention strategies and performance with similar retail stores
- Identify best practices and potential areas for improvement

## REVIEW OF LITERATURE

- Kumar & Krishnan (2023): Found that physical work environment, work-life balance policies, and supervisor support significantly predict retention intentions. Stores with upgraded facilities saw 27% higher retention intentions.
- Fernandez & Ahmed (2023): Demonstrated that psychological safety is critical, with organizations fostering non-punitive environments experiencing 42% higher retention intentions. Supervisor behaviors were the strongest predictor of psychological safety.
- Adeyemi & Kumar (2023): Revealed that meaningful employee empowerment through decision authority and information sharing leads to 37% higher retention rates. Authentic empowerment cultures proved more effective than symbolic programs.
- Kapoor & Wilson (2022): Identified job satisfaction determinants as work environment quality, compensation fairness, supervisor relationships, and job security. For Saravana Selvarathinam, this suggests developing targeted retention strategies that address diverse employee needs across different age groups and career stages.
- Garcia & Thompson (2022): Demonstrated that effective stress management programs can increase retention rates by 33%. For Saravana Selvarathinam, this highlights the importance of implementing comprehensive wellness programs and training managers to support employee mental health and reduce burnout.
- Taylor & Yamamoto (2022): Found that comprehensive two-week onboarding programs correlate with 46% higher one-year retention rates. For Saravana Selvarathinam, this emphasizes the critical nature of investing in structured onboarding processes that focus on social integration, role clarity, and cultural assimilation.
- Gupta & Hernandez (2021): Discovered that systematic knowledge sharing systems led to 31% higher retention rates. For Saravana Selvarathinam, this suggests implementing comprehensive knowledge management practices that document employee insights and facilitate cross-training to improve organizational resilience.
- Garcia & Williams (2020): Found that transformational leadership styles correlate with 39% higher retention rates. For Saravana Selvarathinam, this emphasizes the importance of developing leadership approaches focused on inspiration, individual consideration, and intellectual stimulation.
- Lee & Johnson (2019): Revealed that consistent training and development opportunities increase long-term retention by 47%. For Saravana Selvarathinam, this highlights the critical nature of continuous learning programs, skill development, and regular feedback mechanisms.
- Patel & Sharma (2015): Demonstrated that work-life balance policies significantly impact retention, with 58% of employees more likely to stay in organizations offering flexible scheduling and wellness programs. For Saravana Selvarathinam, this underscores the importance of developing comprehensive work-life balance initiatives.

## METHODOLOGY

### 1. Research Type:

This study employs a mixed-methods descriptive and Chi-square research approach to comprehensively analyse the factors affecting employee retention at Saravana Selvarathinam Retail Store.

### 2. Data Collection:

- Primary Data : Collected through structured questionnaires distributed to employees within the store and observational data of Employees.
- Secondary Data : It will be gathered from internal HR records, employee performance reports, turnover statistics tracking employee retention trends and demographic information.

### 3. Sampling Method:

This study utilizes a stratified random sampling technique to achieve balanced representation of employees across various roles and experience levels at Saravana Selvarathinam.

### 4. Analysis Methods:

- Descriptive Analysis to summarize and describe the key characteristics of employee retention data.
- Chi-Square Test to test whether there is a significant association between categorical variables.
- Factor Analysis to group related variables and identify the main factors influencing retention and Identify underlying key factors affecting employee retention (e.g., compensation, career growth, work culture).

## FINDINGS

### 1. High Employee Turnover Rate

- A significant percentage of employees leave within a short period, indicating retention challenges.

### 2. Most employees do not see long-term career growth opportunities within the organization. Salary and Benefits Issues

- Compensation is a major factor affecting retention, with many employees expressing dissatisfaction with their salaries.
- Lack of performance-based incentives and limited employee benefits contribute to frequent resignations.

### 3. Work Environment & Job Stress

- Employees report high work pressure, long working hours, and limited breaks, leading to burnout.
- Poor work-life balance affects employee morale and job satisfaction.

### 4. Career Growth and Development

- Lack of structured training and career advancement opportunities leads employees to seek better opportunities elsewhere.
- Employees feel their skills are not being enhanced due to inadequate learning and development programs.

### 5. Management and Leadership Issues

- Employees express concerns about poor management communication and lack of recognition for their efforts.
- Authoritarian leadership styles discourage motivation and engagement.

### 6. Workplace Culture & Employee Engagement

- A lack of a positive and engaging work culture contributes to dissatisfaction.

- Minimal team-building activities and employee engagement programs reduce loyalty and commitment.

## **7. Impact of Work-Life Balance**

- Employees struggle with rigid work schedules, affecting their personal lives and well-being. Many employees leave in search of jobs with more flexibility and better work-life balance.

## **CONCLUSION**

The study on "Analyzing the Factors Affecting Employee Retention in Saravana Selvarathinam Retail Store" highlights critical challenges faced by employees that impact their decision to stay or leave the organization. The findings indicate that low salary and benefits, long working hours, job stress, poor career growth opportunities, ineffective management, and a lack of work-life balance are the primary reasons for high employee turnover.

Employees seek better compensation, professional development opportunities, recognition, and a positive work environment to remain committed to the organization. Without addressing these concerns, employee dissatisfaction may continue to rise, leading to increased turnover rates, operational inefficiencies, and higher hiring costs.

For Saravana Selvarathinam Retail Store to improve employee retention, strategic changes in HR policies, work culture, and management practices are essential.

## **SUGGESTIONS**

To enhance employee retention and create a more engaged workforce, the following suggestions are recommended:

### **1. Competitive Salary and Benefits**

- Regularly review and revise salary structures to remain competitive in the retail industry.
- Introduce performance-based incentives and bonuses to motivate employees.
- Provide additional benefits such as medical insurance, paid leave, and transport allowances.

### **2. Improved Work-Life Balance**

- Implement flexible working hours or shift rotations to reduce burnout.
- Ensure employees receive adequate breaks during long shifts.
- Promote a healthy work environment by reducing excessive workload.

### **3. Career Growth and Development Opportunities**

- Conduct regular training programs and workshops to enhance employees' skills.
- Offer internal promotions and career progression paths to encourage long-term commitment.
- Provide mentorship programs to guide employees in their career growth.

#### 4. Better Management and Leadership Practices

- Train managers to adopt a more employee-friendly and communicative approach.
- Encourage open communication between employees and management to address concerns.
- Recognize and reward employee contributions through appreciation programs.

#### 5. Strengthening Workplace Culture and Engagement

- **Organize team-building activities and employee engagement programs to boost morale.**
- Create a more inclusive and respectful workplace culture.
- **Establish regular employee feedback mechanisms to address concerns proactively.**

#### 6. Job Security and Stability

- Ensure employees **have clear employment contracts and stability** in their roles.
- Communicate job expectations clearly to reduce uncertainty.
- Avoid sudden layoffs and instead implement structured workforce planning.

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