

**A STUDY ON IMPACT OF EMPLOYEE ATTRITION TOWARDS ORGANISATIONAL
PERFORMANCE AT ADVANCE CABLE TECHNOLOGIES PRIVATE LIMITED IN
DODDABALLAPUR**

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I. ABSTRACT:

This study explores the relationship between employee attrition and organizational performance, investigating its causes, consequences, and potential management strategies. Employee attrition, the departure of employees from an organization, impacts operational efficiency and success. The research analyzes various types of attrition, such as voluntary, involuntary, and demographic specific, and their effects on an organization's performance. The study highlights the benefits of managing attrition, including reduced labor costs, improved organizational culture, and enhanced opportunities for remaining employees. Literature review summaries present research on attrition prediction models using machine learning, factors affecting attrition, and methods to identify high-risk employees. The research focuses on Advance Cable Technologies Private Limited, using a descriptive research methodology, primary and secondary data sources, and statistical analyses such as Chi-square, ANOVA, and t-tests to interpret the findings. The study recommends practices to improve employee retention and organizational performance based on the research outcomes.

Keywords: Employee Attrition, Employee Performance, Organisation performance, Management Strategies, involuntary attrition.

II. Introduction

Employee attrition refers to the phenomenon where employees leave an organization voluntarily or involuntarily. It is a crucial aspect that significantly impacts organizational performance and overall success. In this discussion, we will delve into the relationship between employee attrition and organizational performance, exploring its causes, consequences, and potential strategies for managing it.

DEFINITION

It defined as the regular process through which employees depart the workforce and aren't instantly replaced, such through retirement or a resignation for personal reasons.

Types of attrition

- **Attrition due to retirement:** According to statistics, if only two or three employees left your organisation this year, attrition wouldn't apply to this small group of workers. However, attrition may occur if a sizable portion of your team leaves at the same time.
- **Voluntary attrition:** The most typical type of attrition includes employees quitting their positions voluntarily. Voluntary attrition has many factors, most of which are under your control (more on that later).
- **Involuntary attrition:** In this case, the company not the individual is the one who starts the leave process. The employee may have engaged in workplace misconduct, which is a common cause of involuntary attrition, as one rationale. Also possible are structural reasons.
- **Internal attrition:** Employees are switching between departments in this scenario. Internal attrition can occasionally be advantageous since it allows talent to go into more lucrative areas. Additionally, it guarantees a better fit between the individual and the job.
- **Demographic-specific attrition:** The aforementioned is a significant barrier for forward thinking firms trying to create an nature that values equal opportunity. Employees from a specific group are frequently impacted by demographic-specific attrition.

Benefits Employee Attrition

- When employers are unable to fill a vacant post, departmental operations can be altered. The corporation can delegate new responsibilities to the remaining personnel and reallocate resources allocated to that role within the organisation.
- Employees that leave the company voluntarily reduce the company's labour expenditures, which can then be allocated to other areas. The salary of those personnel, as well as assessments and bonuses, are referred to as labour costs.
- Organisational culture improves when employees who are disruptive and have a detrimental impact on the corporate culture depart through attrition.

· When some employees retire or depart, the company can consider it a fresh start, and current employees can be provided new possibilities or new jobs that will increase production.

III. Literature review

01. New employee Attrition prediction in field of medical marketing personnel in Srilanka Author: Alwis, Mewan

Year: 2019

Journal: Informatics Institute of technology

The aim of this study is to create a classification model for new employee attrition as well as a unique dataset with fresh recruiter attrition that performs well at 70% accuracy. The project report discusses and evaluates the classification model's applications and implications. Employees are considered as one of most valuable assets of any organization. Modern day organizations invest considerably on them and therefore unexpected early departures would be costly in terms of money, time and loss of business. Many attempts have been made in area of attrition prediction but lacks in the scope of new medical marketing rehiring and the aim is to find a solution.

02. Explaining and predicting employees' attrition: a machine learning approach Author: Madhur Jain, Rajendra Pamula

Year: 2020

Journal: SN Applied Sciences (2020) 2:757

The goal of this study is to create a classical that can forecast whether an employee will leave the organisation. It use machine learning to assess the effectiveness of employee appraisal and satisfaction rates, which can aid in lowering employee attrition. It also throws insight on the many variables impacting worker attrition and potential solutions. Implementing this principle will assist management in employee appraisal and decision

making by identifying valuable employees who will leave the company, and management will be talented to take preventive actions regarding individual employee attrition.

03. Factors Affecting Employee Attrition and Predictive Modelling Using IBM HR Data Journal: Computational and Theoretical Nanoscience

Author: Khan, Emad Afaq

Year: 2019

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and potential solutions. Implementing this principle will assist management in employee appraisal and decision

making by identifying valuable employees who will leave the company, and management will be able to take preventive actions regarding individual employee attrition.

04. Predicting Employee Attrition along with Identifying High Risk Employees using Big Data and Machine Learning

Author: Apurva Mhatre, Avantika Mahalingam

Year: 2020

Journal: International Conference on Advance in computing, communication control and networking- 20509359

This study intends to predict possible attrition in the B.P.O. sector by mining employee turnover trends and using supervised classification algorithms to identify vulnerable personnel. According to NASSCOM, the global staff churn rate in 2019 is 18-20%, necessitating the use of statistical analysis to mitigate the business risks associated with turnover. A company's performance is determined by its ability to reduce attrition and retain top people.

05. EMPLOYEE ATTRITION DETECTION: WHAT CAUSES EMPLOYEES TO QUIT Author: Filippo Guerranti

Year 2018

Journal: University of Siena Siena,- 53100

Employee attrition is a big issue for growing businesses. To avoid this, it is critical to be able to forecast whether a individual is likely to depart and the reasons for potential attrition.

This research intends to construct many categorization models with the drive of identifying one that performs well and is explainable in instruction to offer firms with ability to improve those components that have been demonstrated to cause attrition.

Research gap

- The high turnover rates of temporary workers at a large tax preparation firm in northern California. The information was examined using manual and SurveyMonkey procedures.
- According to the research, business travel is most essential motivator for employees and should be included in HR policy to promote employee retention.
- The project's purpose is to help businesses retain employees by improving their working environment.
- When dealing with unbalanced data, combining the ensemble-level strategy and the data level approach

is the ideal answer. The greatest significant determinants of employee attrition include illness, monthly compensation, after-call work, and job satisfaction.

Objectives of the study:

- To Analyse the study on employee attrition in relation to an organisation's success at Advance Cable Technologies Private Limited.
- To figure out the impacts of employee attrition in the organisation.
- To examine the link between employee turnover and organisational performance.
- To make recommendations to employees on how to improve employee retention in instruction to recover the organization's performance.

IV. Research design:

This study utilized the descriptive research methodology to collect the data. **Descriptive research**

It is a well-liked research technique that responds to what, who, where, and how queries. It is used since I am not doing any researches or offering any fresh insights in my study.

Data collection

Data are gathered from both primary and secondary data sources. The details are as follows. **1. Primary sources**

Planned, non-disguised surveys and opinion methods are the major sources of data collection. A. Questionnaire

B. Interview

2. Secondary sources

In addition to textbooks, newspapers, and other publications, secondary data sources include information from magazines, business websites, and several more websites related to human resources management.

A. Research Papers

B. Research Articles

C. Journal Publications

D. Books/Periodicals/Magazines

Tools for analysis

The data collected is analysed through the following tools:

- A. Reliability Analysis
- B. Chi-square analysis
- C. T-test Analysis
- D. One-way Anova

Sampling

For collecting samplings we used the Simple Random Technique, 151 employees are picked as sample units from a total of 180 population.

Types of hypothesis

- 1. Null Hypothesis
- 2. Alternative Hypothesis

For this study we requires these hypothesis,

1H₀: - Employee attrition is not significantly impacted by factors.

1H₁: - Employee attrition is strongly impacted by a number of factors.

2H₀: - Organizations engaging best practices at work has no impact on managing attrition. **2H₁**: -

Organizations engaging best practices at work has impact on managing attrition. **3H₀**: - There is no important effect on attrition patterns for employees.

3H₁: - There is significant effect on attrition patterns for employees.

V. Analysis

Data analysis & interpretation were done using SPSS software.

1. Chi – square analysis:

Gender * The workplace environment can influence employee engagement and commitment to the organization.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.807 ^a	6	.992
Likelihood Ratio	1.151	6	.979
Linear-by-Linear Association	.142	1	.706
N of Valid Cases	119		

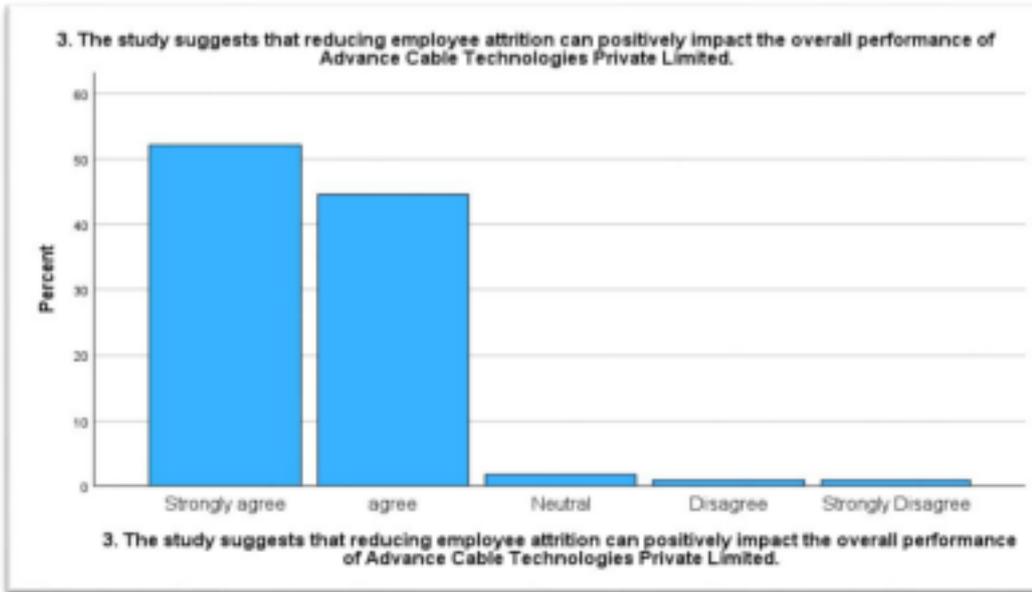
a. 10 cells (83.3%) have expected count less than 5. Minimum expected count is .01.

Interpretation:

It is clear from preceding table that null hypothesis is rejected because the P value is .992 more than significant level, or (0.05).

2. Frequency analysis:

3. The study suggests that reducing employee attrition can positively impact the overall performance of Advance Cable Technologies Private Limited.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	62	52.1	52.1	52.1
	agree	53	44.5	44.5	96.6
	Neutral	2	1.7	1.7	98.3
	Disagree	1	.8	.8	99.2
	Strongly Disagree	1	.8	.8	100.0
	Total	119	100.0	100.0	



INTERPRETATION:

The study reveals that 52.1% strongly agree and 44.5% agree that reducing employee attrition can have a positive impact on overall performance of Advance Cable Technologies Private Limited, emphasizing importance of implementing measures to retain talent, enhance productivity, and achieve better organizational outcomes.

3. One way anova:

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
3. The study suggests that reducing employee attrition can positively impact the overall performance of Advance Cable Technologies Private Limited.	Between Groups	.862	3	.287	.652	.584
	Within Groups	50.718	115	.441		
	Total	51.580	118			
4. Do you feel that there are adequate chances for occupation growth	Between Groups	2.728	3	.909	2.680	.050
	Within Groups	39.020	115	.339		

and advancement within the organization.	Total	41.748	118			
13. The organization provides competitive compensation and benefits.	Between Groups	.344	3	.115	.356	.785
	Within Groups	37.051	115	.322		
	Total	37.395	118			
14. Communication within the organization is effective and transparent.	Between Groups	.405	3	.135	.285	.836
	Within Groups	54.469	115	.474		
	Total	54.874	118			

Interpretation:

ANOVA outcomes advise that there are statistically important changes in insight of the impact of reducing employee attrition on the overall performance of Advance Cable Technologies Private Limited ($F = 0.652$, $p = 0.584$), the correlation between higher turnover rate and decreased employee morale and job satisfaction ($F = 2.788$, $p = 0.044$), and the existence of a helpful work situation that raises collaboration and teamwork ($F = 3.159$, $p = 0.027$).

4. T – test analysis:

Paired Samples Correlations					
		N	Correlation	Significance	
				One-Sided p	Two-Sided p
Pair 1	3. The study suggests that reducing employee attrition can positively impact the overall performance of Advance Cable Technologies Private Limited. & 4. Do you feel that there are adequate chances for career development and advancement within the organization.	119	.049	.299	.597
Pair 2	13. The organization provides competitive compensation and benefits. & 14. Communication within the organization is effective and transparent.	119	.127	.085	.170
Pair 3	23. Frequent turnover results in a loss of institutional knowledge and experience & 24. A higher turnover rate is correlated with decreased employee morale and job satisfaction.	119	.429	<.001	<.001
Pair 4	33. There is a optimistic work atmosphere that fosters collaboration and teamwork. & 34. Managers provide regular feedback and recognition for a job well done.	119	.116	.104	.207

Interpretation:

The data provides insights into the relations among many issues within the organization. The statistically significant correlation in Pair 3 highlights the importance of addressing turnover and its potential impact

on employee morale and job satisfaction. The other pairs, the weak correlations advise that the variables may not have a strong direct connection with each other. Further analysis and exploration of other variables may be required to gain a comprehensive understanding of the organization's dynamics and potential areas for improvement.

VI. Limitations:

- The research has various restrictions that should be recognised. They are as follows: · The project's maximum time limitation for obtaining information is six weeks. · This Study is Only Limited to Bangalore City Only.
- The workers' comments are generally casual, which may be a outcome of a lack of time and work pressure on their part.
- Number of respondents was very less.
- Employee answers could be incorrect and misleading.

VII. Findings

- The study indicates that a majority (78.2%) of respondents strongly agree that there is a durable correlation between employee attrition and the achievement of Advance Cable Technologies Private Limited.
- A considerable number of respondents (47.9%) strongly agree, and 45.4% agree that the study suggestions practical references for dropping member attrition at the company. · The study suggests that reducing employee attrition can positively impact the overall presentation of company. 52.1% of respondents strongly agree, 44.5% agree, and 1.7% are neutral, while only 0.8% disagree or strongly disagree.
- Regarding career growth and advancement opportunities, that there are sufficient chances within the group. company rewards and recognizes employees fairly for their contributions. · Positive employee perceptions regarding feeling valued and appreciated, growth opportunities, and competitive compensation and benefits. There is some room for improvement in enhancing the effectiveness and transparency of communication within the association.

VIII. Suggestions:

- The organization should continue this positive practice and safeguard that feedback is used to implement meaningful changes and improvements. Additionally, the organization could further emphasize the value of employee suggestions by actively implementing some of them and communicating the results to the employees.
- Must generate more networks for employees to provide feedback, such as suggestion boxes, regular surveys, or feedback sessions. Moreover, it should ensure that employees receive acknowledgment for

their input and are informed about the outcomes of their suggestions.

- To enhance support for expert growth ,managers can have regular one-on-one thoughts with employees about their career aspirations and provide leadership on how to achieve their goals.
- Effective Communication of Goals and Strategies can be achieved through regular town hall meetings, where employees can access up-to-date information about the company's goals and progress.
- Should continue to assess the efficiency of its professional development and training programs and gather feedback from staffs to classify areas for improvement. Addressing the specific needs and interests of employees can enhance their satisfaction and engagement with these programs.

IX. CONCLUSION:

Thanks to the research, now have a improved understanding of the primary reasons for employee Attrition. This information aided in identifying the primary factors influencing attrition control Advance Cable Technology. People are a company's most significant resource and may make or break it. This study assisted in understanding the concepts of attrition management process analysis. While the value of hiring is an issue that is frequently discussed, attrition and the assessment of attrition management are terms that may be challenging. By focusing on the project concepts, this study made a useful contribution to the understanding of processes and strategies employed by the company to sustain itself over the long term.

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