

Evaluating Employee Retention Practices in the Automotive Manufacturing Sector: A Case Study of Dong Ah Electric India Pvt. Ltd.

1. **Dr.M.Maria Jain Bruce**, Associate Professor, Department of Management Studies,
Tagore Engineering College, mmariajainbruce@gmail.com
2. **Dr.M.S.Rathnamala**, Assistant Professor(SG), SoM,
Hindustan Institute of Technology and Science, brucerathna2003@gmail.com

ABSTRACT

Employee retention has emerged as a critical strategic priority for manufacturing firms operating in competitive labour markets, particularly as the Indian automotive components sector undergoes rapid technological transformation. This study provides a comprehensive empirical examination of retention strategies adopted at Dong Ah Electric India Pvt Ltd, a Tier-1 Chennai-based automotive component manufacturer supplying to global OEMs including Hyundai, Kia, Renault-Nissan, and Daimler, with an annual turnover of INR 250 crore. Grounded in a descriptive research design, primary data were systematically collected from 120 employees using a structured questionnaire encompassing four retention dimensions: growth strategies, environmental strategies, compensation strategies, and support strategies. The study triangulates this data with secondary sources including company records, published HR literature, and academic databases. Percentage analysis and Karl Pearson's Correlation Coefficient were employed for statistical analysis using SPSS Version 26. Findings reveal a bifurcated retention landscape: the organisation performs commendably on tangible dimensions—infrastructure satisfaction (89%), pay competitiveness (84%), and vision clarity (92%)—but demonstrates critical deficits in relational and cultural dimensions, including employee participation in decision-making (22%), professionalism culture (17%), and operational transparency (31%). A strong positive correlation ($r = .747, p < .01$) was established between recognition of employee effort and organisational support for high achievers, confirming a virtuous cycle between recognition architecture and retention culture. The study concludes with seven evidence-based, operationally specific recommendations to strengthen the organisation's retention framework in alignment with its 2028 growth targets.

Keywords: Employee Retention, Labour Turnover, Compensation Management, Work Environment, Organisational Support, Manufacturing Sector, Human Resource Management, Automotive Industry, India.

I. INTRODUCTION

In today's fiercely competitive and rapidly transforming business landscape, attracting top-tier talent is widely regarded as a primary human resource challenge. However, the strategic imperative of retaining that talent—and sustaining the institutional knowledge embedded within an existing workforce—has emerged as a challenge of arguably greater long-term consequence. Employee retention refers to the systematic and deliberate efforts that organisations deploy to maintain quality individuals within their workforce, preserving continuity, expertise, and competitive capability.

As Herman (2010) articulated, retention encompasses the proactive methods that successful organisations use to arrest the drain on corporate profitability caused by excessive turnover. The costs of employee attrition, when comprehensively quantified, extend well beyond the visible recruitment and onboarding expenses. Research consistently demonstrates that replacing a single employee can cost between 50% and 200% of their annual salary, depending on the role's seniority and technical complexity. When productivity loss during role vacancy, the performance ramp-up period for new hires, and the erosion of tacit organisational knowledge are factored in, the true cost of turnover becomes a significant strategic liability.

The Indian manufacturing sector—particularly the automotive components industry—has experienced pronounced workforce volatility over the past decade. Driven by rapid automation, skills shortages, increasing competition from both domestic and multinational players, and the growing aspirational mobility of a young workforce, companies in this space face a compounded retention challenge. The sector's dependency on skilled technical and managerial talent makes

attrition especially costly, as such expertise takes months or years to develop and cannot be quickly replaced from an external labour market.

Dong Ah Electric India Pvt Ltd represents a compelling case for retention research. Incorporated in July 2010 within Chennai's Sidco Industrial Estate, the company is a Tier-1 supplier of HVAC Control Heads, Wiring Harnesses, and Resistor assemblies to Original Equipment Manufacturers (OEMs) of international repute, including Hyundai, Kia, Renault-Nissan, and Daimler. With a current workforce of 250 employees and an annual turnover of INR 250 crore, the company's ambitious growth target—INR 400 crore by 2028—places acute and escalating demands on human resource stability and capability.

The intersection of the organisation's growth ambition with potential workforce vulnerabilities makes a rigorous, evidence-based assessment of its retention strategies both timely and practically significant. This study systematically investigates the retention strategies in place, identifies critical gaps between current practice and best-in-class benchmarks, and proposes operationally specific, actionable recommendations to support the company's long-term human capital objectives.

A. Significance of the Study

The present study holds significance at multiple levels. At the organisational level, it provides Dong Ah Electric India Pvt Ltd with a structured, data-driven diagnostic of its retention strengths and vulnerabilities—enabling targeted interventions rather than broad, resource-intensive programmes. At the sectoral level, the findings contribute to the limited empirical evidence on retention practices in Chennai-based automotive manufacturing firms, a context that has been relatively underexplored in the scholarly literature. At the academic level, the study tests established theoretical frameworks—including Herzberg's Hygiene-Motivator model and Kossivi and Kalgora's multi-factor retention model—against primary empirical data from an Indian manufacturing setting.

Furthermore, as India accelerates its vision of becoming a global manufacturing hub under the Make in India and Atmanirbhar Bharat initiatives, the ability of domestic automotive suppliers to retain skilled human capital will be a decisive determinant of national industrial competitiveness. The insights generated by this study, while contextually specific, carry generalisable implications for firms navigating comparable workforce environments.

B. Research Objectives

The study is guided by the following specific research objectives:

- To examine the nature and scope of employee retention strategies currently adopted at Dong Ah Electric India Pvt Ltd.
- To assess employee awareness, perceptions, and satisfaction levels with respect to growth, environmental, compensation, and support retention dimensions.
- To determine the statistical relationship between recognition of employee effort and the organisational support provided to high achievers.
- To identify critical retention gaps and offer evidence-based, operationally actionable recommendations to strengthen the company's overall retention framework.

II. LITERATURE REVIEW

The academic discourse on employee retention has evolved considerably over the past three decades, drawing on economic incentive models, psychological engagement frameworks, organisational behaviour theories, and strategic human resource management perspectives. A synthesis of seminal and contextually relevant works is presented below, structured around key thematic clusters.

Frederick Herzberg's Two-Factor Theory (1959) remains one of the foundational theoretical lenses through which retention is understood. Herzberg distinguished between hygiene factors—elements whose presence prevents dissatisfaction but does not create active motivation (such as pay, working conditions, and job security)—and motivators, which actively drive engagement and commitment (including recognition, achievement, advancement, and the nature of

the work itself). The practical implication for retention strategy is profound: organisations that invest exclusively in hygiene factors may reduce the immediate incidence of attrition, but will fail to build the deep-seated engagement required for long-term retention.

Hackman and Oldham's Job Characteristics Model (1976) further elaborated the role of intrinsic job design in retention outcomes. Their model posits that skill variety, task identity, task significance, autonomy, and feedback collectively create the psychological states of meaningfulness, responsibility, and knowledge of results that underpin employee motivation and commitment. In manufacturing environments, where jobs can become repetitive and standardised, deliberate enrichment of these characteristics is essential to prevent psychological disengagement.

Social Exchange Theory (Blau, 1964) provides a complementary relational lens: employees evaluate their relationship with the organisation through a reciprocity calculus. When the organisation is perceived as investing in employee development, recognition, and well-being, employees respond with heightened commitment, discretionary effort, and reduced propensity to exit. Conversely, when employees perceive an imbalance—receiving less than they contribute—voluntary turnover becomes more likely. This framework directly informs the interpretation of this study's correlation findings.

Abeyssekera (2007) evaluated the influence of HR practices—including realistic job previews, work-life balance, career development, supervisor support, and compensation—on employees' intention to leave across multiple industry contexts. The study found that compensation adequacy and thorough job analysis exerted the strongest positive influence on reducing turnover intent, while supervisor support emerged as a critical moderating variable that amplified or attenuated the impact of other factors.

The Hay Group (2009) conceptualised employee engagement through two interlocking components: commitment, defined as the emotional attachment to the organisation and the intent to continue; and discretionary effort, defined as the willingness to go beyond minimum performance requirements. Their large-scale research across multiple industries argued that both dimensions must be actively nurtured simultaneously to achieve meaningful retention outcomes—an insight that underscores the inadequacy of purely transactional retention approaches.

Chitra Devi and Latha (2011), examining the Indian IT sector through discriminant analysis, identified compensation, job satisfaction, and job security as the three dominant retention levers in that context. Critically, they found that the relative weight of these factors varied significantly across employee cohorts differentiated by tenure, qualification, and career stage—pointing to the need for segmented, rather than uniform, retention strategies. Their cross-industry relevance is evident in manufacturing contexts where technical skill shortages mirror those in technology.

Kossivi and Kalgora (2016) conducted an integrative review of the retention literature identifying development opportunities, work-life balance, leadership style, work environment, autonomy, and social support as key retention determinants across industries and geographies. Critically, they noted that no single factor operates in isolation; retention outcomes emerge from the dynamic interaction between these variables. Their multi-factor model provides a useful diagnostic framework for assessing organisational retention profiles.

Vijayalakshmi (2012) argued that the HR department's fundamental obligation is to proactively diagnose the voluntary exit behaviour of employees by mapping their growth aspirations, educational objectives, and personal career goals. This approach treats retention as a continuous, diagnostic process rather than a reactive response to attrition—a perspective that creates a sustainable retention culture rather than episodic countermeasures.

Mehta, Kurbetti, and Dhankhar (2014) systematically reviewed best practices across industries, finding that organisations excelling in retention characteristically integrate three complementary mechanisms: formalised recognition programmes that signal the value placed on employee contributions; transparent career pathways that provide clear and achievable advancement trajectories; and participative decision-making cultures that extend employees a meaningful voice in organisational governance. Organisations that combined all three mechanisms demonstrated significantly lower voluntary turnover rates than those relying on any single element.

Muppuri Naga Bhaskar (2014) argued that financial rewards, job characteristics, career development opportunities, recognition practices, management quality, and work-life balance collectively constitute the motivational architecture of employee retention. The paper emphasised the value of predictive modelling—using employee surveys and engagement data to identify pre-attrition signals—as a proactive HR tool that allows interventions before turnover decisions crystallise.

Bidisha Lahkar Das and Mukulesh Baruah (2013), in an extensive meta-analytic review of the retention literature, concluded that compensation practices, leadership quality, career planning provisions, flexible work arrangements, and positive organisational climate remain systematically under-researched in manufacturing settings relative to professional and service industries. This observation provides direct empirical justification for the present study and situates its contribution within an identified gap in the scholarly literature.

The specific dynamics of retention in Indian manufacturing firms have received increasing scholarly attention in the post-liberalisation era. The sector is characterised by distinctive retention challenges that diverge from those documented in Western or service-sector contexts. These include a pronounced skills gap in technical and managerial talent, a young workforce with high external mobility and rapidly rising wage expectations, significant informal labour market pressures, and the cultural complexity of managing retention across hierarchical organisational structures.

Studies on retention in Indian automotive manufacturing specifically have highlighted the role of supervisor-employee relationships, organisational justice perceptions, and the availability of structured career development as particularly influential retention determinants in this cultural and industrial context. The predominance of male employees in manufacturing shopfloor roles also creates specific retention dynamics around safety, recognition, and team culture that differ from office-based work environments.

The literature synthesis reveals a consistent theoretical and empirical consensus: effective employee retention requires a comprehensive, multi-dimensional strategy that addresses both the transactional (compensation, benefits, and infrastructure) and relational (recognition, participation, culture, career development) dimensions of the employment relationship. Single-dimension strategies invariably fall short.

III. RESEARCH METHODOLOGY

A. Research Design

A descriptive research design was adopted for this study, as the primary objective is to characterise the current state of employee retention practices at Dong Ah Electric India Pvt Ltd and to systematically analyse employee perceptions thereon. Descriptive design is appropriate when the research aim is to portray a phenomenon as it exists without manipulating independent variables or testing causal mechanisms (Cooper & Schindler, 2014). The design enables the generation of both quantitative frequency distributions and inferential statistical measures within a structured, replicable framework.

B. Study Setting and Organisational Profile

Dong Ah Electric India Pvt Ltd is incorporated as a Private Limited company under the Indian Companies Act, with its manufacturing facility located in the Sidco Industrial Estate, Ambattur, Chennai. The company commenced operations in July 2010 as a wholly-owned subsidiary of Dong Ah Electric Co., Ltd. (South Korea), a leading global supplier of automotive electrical components. Its product portfolio includes HVAC (Heating, Ventilation, and Air Conditioning) Control Heads, Wiring Harnesses, and Resistor assemblies, supplied to Tier-1 OEM partners.

The company serves as a strategic supplier to Hyundai India, Kia India, Renault-Nissan India, and Daimler India—collectively representing the premium and mid-market segments of the Indian passenger vehicle market. With a workforce of 250 employees spanning engineering, production, quality assurance, supply chain, and administrative functions, and an annual turnover of INR 250 crore, the company's human capital constitutes a critical competitive asset. Its targeted expansion to INR 400 crore by 2028 will require both retention of existing talent and strategic augmentation of capabilities.

The target population comprised all 250 permanent and contractual employees of Dong Ah Electric India Pvt Ltd across all functional departments and hierarchical levels. A convenience sample of 120 respondents was selected based on accessibility, departmental diversity, and willingness to participate, yielding a sampling fraction of 48%. This response rate exceeds the 30% threshold typically considered adequate for organisational survey reliability (Saunders, Lewis, & Thornhill, 2019), providing a sound basis for organisational-level inference.

The sample was drawn to ensure representation across age groups, genders, educational qualifications, and tenure categories, as validated by the demographic profile analysis in Section 4.1. No systematic exclusion criteria were applied beyond availability and consent, and all responses were treated as anonymous to minimise social desirability bias.

C. Data Collection Instrument

Primary data were gathered through a structured, self-administered questionnaire comprising 19 items: four demographic items (age, gender, educational qualification, and years of experience) and 15 substantive Likert-scale items (Strongly Agree to Strongly Disagree, scored 1–5) spanning four retention strategy dimensions:

- **Growth Strategies:** Items assessing vision communication, participation in decision-making, and training provision.
- **Environmental Strategies:** Items addressing infrastructure quality, geographic location, communication flow, transparency, and professionalism.
- **Compensation Strategies:** Items covering pay competitiveness, rewards alignment with performance, team reward systems, and benefit flexibility.
- **Support Strategies:** Items examining organisational support for high achievers, team bonding facilitation, and recognition practices.

The questionnaire was pre-tested with a pilot sample of 15 employees outside the main study cohort to assess item clarity, comprehensibility, and response time. Minor linguistic adjustments were made prior to full administration. Secondary data were sourced from published academic literature, industry reports, company records, and management discussions.

D. Statistical Tools and Analysis

Two complementary statistical tools were employed to analyse the collected data:

- **Percentage Analysis:** To describe the distribution of responses across each survey item, enabling identification of high-satisfaction and high-risk retention dimensions at a granular level.
- **Karl Pearson's Product-Moment Correlation Coefficient (r):** To quantify and test the strength and direction of the linear relationship between employee perceptions of recognition for hard work and organisational support for high achievers. The Pearson coefficient was selected over non-parametric alternatives given the interval-scale nature of the Likert responses and the sample size of 120, which satisfies the central limit theorem's requirements for parametric inference.

All statistical analyses were conducted using IBM SPSS Statistics Version 26. Statistical significance was assessed at the $p < .05$ and $p < .01$ levels (two-tailed), with effect size interpreted using Cohen's (1988) conventions: $r < .30$ (small), $.30-.49$ (moderate), $\geq .50$ (large).

H_0 (Null Hypothesis): There is a statistically significant positive relationship between employee perception of recognition for hard work and talent and their experience of organisational support for high achievers.

H_1 (Alternative Hypothesis): There is no statistically significant positive relationship between employee perception of recognition for hard work and talent and their experience of organisational support for high achievers.

IV. DATA ANALYSIS AND INTERPRETATION

A. Demographic Profile of Respondents

The demographic characteristics of the 120 respondents are presented in Tables 1 through 4, covering age distribution, gender composition, educational qualification, and work experience tenure.

Age Group	No. of Respondents	Percentage (%)
20–25 years	18	15.0
26–35 years	74	61.7
36–50 years	28	23.3

Total	120	100.0
--------------	-----	-------

Table 1: Age Distribution of Respondents

The age distribution reveals a predominantly young-to-mid-career workforce: 61.7% of respondents fall within the 26–35 age bracket, representing the peak productive and career-investment phase of working life. A further 23.3% are in the 36–50 age range, bringing collective career experience and institutional knowledge. Only 15% are below 25 years, suggesting measured entry-level hiring. This demographic profile is consistent with a growth-stage manufacturing firm that prioritises experienced professionals capable of managing complex production and quality requirements. However, the concentration of employees in the 26–35 cohort also represents a significant retention risk, as this age group demonstrates the highest external mobility rates and the strongest sensitivity to career advancement opportunities.

Gender	No. of Respondents	Percentage (%)
Male	98	81.7
Female	22	18.3
Total	120	100.0

Table 2: Gender Distribution of Respondents

The sample is predominantly male (81.7%), with female respondents comprising 18.3%. This gender composition is reflective of the wider structural dynamics of the Indian automotive manufacturing sector, where male employees disproportionately occupy production, engineering, and technical roles. The relatively limited female representation raises strategic considerations for retention, particularly with respect to workplace safety culture, flexibility provisions, gender-equitable recognition practices, and inclusion in career development pathways. The organisation's ability to retain and advance its female workforce will be an increasingly important dimension of its employment brand as it expands.

Qualification	No. of Respondents	Percentage (%)
MBA	56	46.7
MSW	10	8.3
B.E / B.Tech	52	43.3
Others	2	1.7
Total	120	100.0

Table 3: Educational Qualification of Respondents

The educational profile of the sample is notably high: 46.7% hold MBA degrees, 43.3% are engineering graduates, and a further 8.3% hold Master of Social Work qualifications. Collectively, over 98% of respondents hold postgraduate or professional-level qualifications. This highly educated workforce profile carries direct implications for retention strategy design: employees with advanced qualifications have comparatively higher expectations regarding intellectual challenge, career progression velocity, professional development investment, and managerial quality. Retention strategies designed primarily for operationally-oriented workforces will be insufficient; the organisation must offer cognitively stimulating roles, clear advancement trajectories, and leadership of professional calibre.

Experience	No. of Respondents	Percentage (%)
2–5 years	88	73.3
5–10 years	32	26.7
Total	120	100.0

Table 4: Work Experience of Respondents

The tenure distribution presents a significant structural finding: 73.3% of respondents have between 2 and 5 years of experience at the organisation, while the remaining 26.7% have 5–10 years. Notably, no respondent reported tenure exceeding 10 years, which may indicate structural attrition at senior levels—either through voluntary exit or promotion-driven replacement—and warrants further investigation through longitudinal data. The concentration of employees in the 2–5 year window is particularly significant from a retention standpoint: this period represents the phase when employees have internalised sufficient organisational knowledge to be attractive to external employers, yet may not have developed the deep relational ties and advancement rewards that sustain long-term commitment. Targeted retention interventions for this cohort must be a priority.

B. Survey Analysis of Retention Strategy Dimensions

The 15-item retention survey revealed a nuanced and bifurcated satisfaction landscape across the four strategic dimensions. Table 5 presents an aggregated summary of responses, categorised by the percentage of respondents who agreed or strongly agreed with each item, alongside an overall sentiment classification.

Retention Dimension	Survey Item	Agreement (%)
Growth Strategy	Vision clearly communicated to employees	92%
Growth Strategy	Participation in decision-making valued	22%
Growth Strategy	Job-related training provided regularly	77%
Environmental Strategy	Free flow of communication facilitated	48%
Environmental Strategy	Flat structure and transparency exist	31%
Environmental Strategy	Ambient and safe work infrastructure	89%
Environmental Strategy	Acceptable geographic location	66%
Environmental Strategy	Professionalism consistently practised	17%
Support Strategy	Organisation supports high achievers	65%
Support Strategy	Team rewards actively encouraged	60%
Compensation Strategy	Rewards commensurate with performance	58%
Support Strategy	Team bonding actively promoted	25%
Compensation Strategy	Attractive and competitive pay structure	84%
Compensation Strategy	Reward system stimulates involvement	58%
Compensation Strategy	Flexible employee benefits provided	53%

Table 5: Summary of Survey Responses on Retention Strategy Dimensions (N = 120)

1) *Growth Strategy Findings*

The growth strategy dimension yielded the sharpest contrast between organisational strengths and vulnerabilities. Ninety-two percent of respondents confirmed that the organisation's vision is clearly communicated—an exceptionally high rating that reflects effective top-down strategic communication. This finding aligns with the broader HR literature's finding that a clearly articulated and understood organisational vision enhances employees' sense of purpose and long-term affiliation.

However, only 22% of respondents feel that their participation in decision-making is genuinely valued—the second-lowest score across all 15 items. This finding is both practically significant and theoretically coherent: decades of organisational research confirm that employee voice and autonomy are among the strongest predictors of organisational commitment and reduced turnover intent. When employees lack meaningful input into decisions that affect their work, they experience reduced psychological ownership and are more likely to seek environments where their agency is respected. The 70-percentage-point gap between vision communication (92%) and participative decision-making (22%) suggests a top-down communication model that tells employees where the organisation is going but does not invite them into how it will get there.

Training provision demonstrates a more positive picture, with 77% of respondents confirming that job-related training is provided regularly. This is a meaningful retention enabler, particularly given the highly educated profile of the workforce, for whom professional development investment signals organisational commitment to their growth.

2) *Environmental Strategy Findings*

The environmental strategy dimension produced the widest range of satisfaction scores. Ambient work infrastructure received the highest rating in this dimension at 89%, reflecting the organisation's tangible investment in physical workplace quality—a fundamental hygiene factor that prevents dissatisfaction without independently generating engagement. Geographic location acceptability at 66% indicates that the majority of employees find the Chennai Sidco Industrial Estate location accessible and manageable.

However, three items in this dimension reveal serious structural vulnerabilities. Only 17% of respondents believe that professionalism is consistently practised at the workplace—the single lowest score across the entire survey. This finding is alarming in an organisation employing a predominantly postgraduate-educated workforce: professional conduct expectations are considerably elevated among this cohort, and the perception that such conduct is not modelled or enforced by management creates a significant cultural misalignment. Research consistently identifies management quality and professional culture as critical retention determinants, and this 83% dissatisfaction rate constitutes a fundamental retention risk.

Transparency—assessed through the item on flat structure and transparency—registered agreement from only 31% of respondents. This finding, combined with the communication item's 48% positive response, paints a picture of an information environment that is characterised by ambiguity, unidirectional communication, and limited structural openness. Trust is foundational to the psychological contract between employee and employer; when transparency is perceived as inadequate, the psychological contract is experienced as imbalanced, and the social exchange dynamic that sustains retention is undermined.

3) *Compensation Strategy Findings*

Compensation emerges as a relative organisational strength: 84% of respondents rate the organisation's pay as attractive and competitive—a rating that substantially exceeds the national manufacturing sector average and likely reflects the company's OEM relationship premium. This finding provides a critical baseline retention buffer: competitive pay prevents immediate exit decisions but, as Herzberg's theory predicts, does not independently generate long-term loyalty.

The items assessing reward alignment with performance (58%), reward system's ability to stimulate involvement (58%), and flexible benefits provision (53%) cluster in the moderate-positive range. These scores suggest that while the base compensation structure is perceived as competitive, the variable and discretionary components of the total reward package—including performance bonuses, recognition rewards, and benefit flexibility—have room for improvement. Flexible benefits, in particular, represent an opportunity to personalise the value proposition for employees at different life stages and with different needs, a strategy particularly relevant given the age and educational diversity of the workforce.

4) Support Strategy Findings

The support strategy dimension reveals a moderate but improvable foundation for cultural retention. Sixty-five percent of respondents agree that the organisation supports high achievers—a score that indicates the majority perceive some form of performance-based support, but that a significant minority (35%) do not feel that their superior performance translates into organisational recognition and support. The team rewards encouragement item registered at 60%, suggesting moderate effectiveness in collective motivation but insufficient strength to be a differentiated retention driver.

The most critical finding in this dimension is the team bonding score: only 25% of respondents believe that team bonding is actively promoted within the organisation. Strong intra-team social bonds are among the most powerful retention mechanisms available to organisations, as they create relational switching costs—employees who are embedded in high-quality team relationships are less likely to leave because doing so carries significant social costs. A 75% dissatisfaction rate on this item represents a significant lost opportunity in the organisation's retention architecture.

C. Karl Pearson's Correlation Analysis

To test the hypothesised relationship between recognition practices and organisational support, Karl Pearson's Correlation Coefficient was computed between employees' responses to the item 'Recognition for hard work and talent' and the item 'Organisational support for high achievers'. Results are presented in Table 6.

Variable	Pearson Correlation (r)	Sig. (2-tailed)	N
Recognition for Hard Work & Talent	1.000	—	120
Organisational Support for High Achievers	.747**	.000	120

Table 6: Pearson Correlation — Recognition for Hard Work & Talent vs. Organisational Support for High Achievers

** Correlation is significant at the 0.01 level (2-tailed). N = 120.

The Pearson Correlation coefficient of $r = .747$ indicates a strong positive linear relationship between employees' perception of recognition for their hard work and their experience of organisational support for high achievers. By Cohen's (1988) conventions, an r value of .747 constitutes a large effect size, indicating that approximately 55.8% of the variance in perceived organisational support ($r^2 = .558$) is explained by the variation in recognition perceptions. This association is statistically significant at $p < .001$ (two-tailed), providing robust evidence to reject the alternative hypothesis and accept the null hypothesis.

The practical significance of this finding is considerable. It establishes recognition practices not merely as an isolated motivational tool but as a systemic enabler of organisational support culture. As employees experience more consistent and meaningful recognition of their contributions, their perception of the organisation as a supportive environment for high achievement strengthens correspondingly. This creates a self-reinforcing cycle: effective recognition builds a culture of support, which in turn sustains the psychological conditions for retention. Conversely, the absence of recognition is likely to progressively erode perceived organisational support, accelerating disengagement and attrition.

V. RESULTS AND DISCUSSION

The integrated analysis of demographic data, survey responses, and correlation statistics yields the following key findings:

The workforce skews young (61.7% aged 26–35) and is overwhelmingly postgraduate-educated (over 98%), indicating that growth opportunities, intellectual stimulation, and transparent career progression are non-negotiable retention drivers for this cohort.

A critical early-tenure concentration exists: 73.3% of respondents have fewer than 5 years of organisational experience, representing a structural vulnerability at the phase when employees become externally marketable and when competitive offers are most likely to be entertained.

The organisation's core retention strengths—infrastructure quality (89%), pay competitiveness (84%), and vision clarity (92%)—satisfactorily address Herzberg's hygiene needs but are insufficient, in isolation, to sustain deep long-term commitment.

Four items in the survey register critically low agreement rates (below 35%), constituting the primary retention risk factors: participation in decision-making (22%), professionalism culture (17%), team bonding facilitation (25%), and operational transparency (31%).

Communication and transparency deficits—which recorded 48% and 31% agreement respectively—erode the organisational trust that is foundational to the employee-employer psychological contract and to sustained retention.

A strong positive correlation ($r = .747$, $p < .001$) confirms that recognition and organisational support are mutually reinforcing, providing an empirically validated entry point for systemic cultural intervention.

The findings are broadly consistent with—and extend—the theoretical frameworks reviewed. Kossivi and Kalgora's (2016) multi-factor retention model predicted that physical work environment and compensation, while necessary, are insufficient without leadership quality, autonomy, and social support. This pattern is precisely mirrored in Dong Ah Electric India's profile: the organisation has invested substantially in tangible infrastructure and pay but significantly lags on the relational and cultural dimensions of retention.

The participative decision-making finding aligns with Vijayalakshmi's (2012) argument that organisations must treat employees as strategic partners rather than operational assets. The 70-percentage-point gap between the organisation's effectiveness in communicating vision (92%) and its effectiveness in enabling employee voice (22%) is particularly diagnostic: the organisation appears to have mastered the art of downward communication but has not yet institutionalised the mechanisms for upward and lateral participation. Structures such as quality circles, cross-functional project teams, and structured town hall forums are evidence-based mechanisms for addressing this gap without requiring fundamental organisational redesign.

The professionalism deficit warrants particular management attention. With 83% of respondents perceiving that professionalism is not consistently practised, the organisation faces a cultural integrity challenge that directly undermines the professional expectations of its postgraduate-educated workforce. Muppuri Naga Bhaskar (2014) identified management quality as one of the six core motivational drivers of retention; low perceptions of professional conduct at managerial levels directly corrode this driver. Leadership development investments focused on professional conduct competencies, coaching behaviours, and communication transparency are essential responses.

The correlation analysis finding reinforces Mehta et al.'s (2014) central argument: formalised recognition programmes catalyse broader cultural change by sending an unambiguous organisational signal that achievement is valued, visible, and rewarded. Organisations that recognise performance systematically create self-reinforcing cycles of engagement and support. The $r = .747$ coefficient found in this study provides strong empirical support for prioritising recognition architecture as a first-order retention investment—one with documented multiplicative effects on perceived organisational support.

The team bonding finding (25% satisfaction) is consistent with the Social Exchange Theory prediction that retention is partially sustained by relational embeddedness. Employees embedded in high-quality collegial and team relationships experience elevated relational switching costs that reduce the attractiveness of exit. An organisation that fails to facilitate team cohesion not only sacrifices a powerful retention mechanism but also risks compounding productivity losses through coordination failures and interpersonal friction.

VI. CONCLUSION AND RECOMMENDATIONS

This study provides a comprehensive assessment of employee retention at Dong Ah Electric India Pvt. Ltd. and concludes that while the organisation has built a strong retention foundation through competitive compensation, quality infrastructure, and a clear strategic vision, several critical challenges continue to threaten long-term workforce stability. The findings reveal significant concerns relating to employee participation in decision-making, organisational

transparency, professionalism, communication effectiveness, and team cohesion, all of which may negatively affect retention if left unaddressed. The strong positive relationship between recognition practices and perceived organisational support ($r = .747$) highlights the importance of establishing a structured recognition system as a cost-effective strategy for improving employee engagement and loyalty. To strengthen retention outcomes and support the company's ambitious 2028 revenue target of INR 400 crore, the study recommends implementing participative management structures, formalising a tiered employee recognition programme, investing in leadership development and professional culture enhancement, strengthening communication and transparency mechanisms, developing transparent career progression frameworks, promoting team cohesion through collaborative initiatives and social engagement programmes, and instituting regular retention audits supported by predictive HR analytics. Collectively, these interventions will help create a more inclusive, supportive, and professionally rewarding work environment, thereby reducing attrition risk, enhancing employee commitment, and ensuring sustainable organisational growth in an increasingly competitive manufacturing sector.

A. *Limitations and directions for future research*

While this study makes a meaningful contribution to the understanding of employee retention dynamics in the Indian automotive manufacturing context, several limitations should be acknowledged. First, the use of convenience sampling, while pragmatically justified, introduces potential selection bias; future research should employ stratified random sampling to ensure systematic representation across departmental and hierarchical strata. Second, the cross-sectional design captures a single-point-in-time snapshot of employee perceptions; longitudinal research tracking retention outcomes and strategy implementation effects over multiple years would substantially strengthen causal inference.

Third, the study is confined to a single organisation, limiting the generalisability of findings to other automotive manufacturing contexts. Comparative multi-site research encompassing multiple Chennai-based automotive suppliers would enable contextual benchmarking and the identification of industry-wide retention patterns. Fourth, the reliance on self-reported Likert-scale data introduces the possibility of social desirability bias, despite the use of anonymous administration. Future studies should triangulate survey data with qualitative interviews, management observations, and HR records data to enrich the analytical depth.

Future research directions might include a longitudinal tracking study of retention outcomes following implementation of the recommendations proposed in this study; a comparative analysis of retention practices across Tier-1, Tier-2, and Tier-3 automotive suppliers in the Chennai industrial corridor; and a gendered analysis of retention determinants that disaggregates findings by male and female employee sub-groups to inform more targeted, inclusive retention strategies.

REFERENCES

1. Abeysekera, R. (2007). The impact of human resource management practices on marketing executive turnover of leasing companies in Sri Lanka. *Contemporary Management Research*, 3(3), 233–252.
2. Bidisha Lahkar Das, & Baruah, M. (2013). Employee retention: A review of literature. *Journal of Business and Management*, 14(2), 8–16. <https://doi.org/10.9790/487X-1420816>
3. Blau, P. M. (1964). *Exchange and Power in Social Life*. John Wiley & Sons.
4. Chitra Devi, R., & Latha, M. (2011). Employee retention in the IT sector. *Journal of Management Research*, 3(2), 1–9.
5. Cohen, J. (1988). *Statistical Power Analysis for the Behavioral Sciences* (2nd ed.). Lawrence Erlbaum Associates.
6. Cooper, D. R., & Schindler, P. S. (2014). *Business Research Methods* (12th ed.). McGraw-Hill Education.
7. Hackman, J. R., & Oldham, G. R. (1976). Motivation through the design of work: Test of a theory. *Organizational Behavior and Human Performance*, 16(2), 250–279.
8. Hay Group. (2009). *Employee Engagement and Commitment: A Guide to Understanding, Measuring, and Increasing Engagement in Your Organisation*. Hay Group.

9. Herman, R. (2010). *Keeping Good People: Strategies for Solving the Dilemma of the Decade*. Winchester Book Gallery.
10. Herzberg, F. (1959). *The Motivation to Work*. John Wiley & Sons.
11. Kossivi, B., Xu, M., & Kalgora, B. (2016). Study on determining factors of employee retention. *Open Journal of Social Sciences*, 4, 261–268. <https://doi.org/10.4236/jss.2016.45029>
12. Mehta, M., Kurbetti, A., & Dhankhar, R. (2014). Review paper: Study on employee retention and commitment. *International Journal of Advance Research in Computer Science and Management Studies*, 2(8), 154–164.
13. Muppuri, N. B. (2014). Motivational factors affecting employee retention: A theoretical review. *International Journal of Research*, 1(7), 776–782.
14. Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research Methods for Business Students* (8th ed.). Pearson Education Limited.
15. Vijayalakshmi, V. (2012). Employee retention strategies. *International Journal of Scientific Research*, 1(3), 52–53. <https://doi.org/10.15373/22778179>