

IMPACT OF EMPLOYEE TURNOVER ON AN ORGANISATION'S EFFICIENCY

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ABSTRACT

The overall goal of the investigation is to evaluate the effects of representative turnover on an association's proficiency, a contextual analysis of MUSKAN BAKERY. The investigation was guided by the accompanying explicit destinations; to assess the genuine purposes behind representative turnover at MUSKAN BAKERY, to survey the effect of Employee turnover on association effectiveness at MUSKAN BAKERY, to decide the conceivable moderation of diminishing worker turnover at MUSKAN BAKERY. This exploration utilized an illustrative examination plan since the investigation intendeds to accumulate quantitative and subjective information that depicts the nature and qualities of the effects of representative turnover on association effectiveness. The objective populace for the investigation included a sum of 400 representatives working at MUSKAN BAKERY Offices in Uttar Pradesh. The target population was divided into three categories namely; Top management staff, middle level management staff and lower management staff. Primary data was collected using structured questionnaires. The collected data was analyse using SPSS and presented in form of figures and tables.

- **INTRODUCTION**

- **Background of the Study**

Worker turnover alludes to the rate at which a business gains and misfortunes representative, how long the staff will in general leave and join the association (Ambigo, 2016). In his book, Horton (2017) state that it is turning into a significant issue for the associations particularly for the low unit occupations. There are numerous supporters of this situation that are important to the representative turnover. Such angles can originate from both the Muskan Bakery just as the employees. The bosses are more worried about the turnover as it impacts contrarily and an extravagant part of the business world (Hint, 2016).

As per CORPORAL, 2016 when representatives leave the Muskan Bakery, the business needs to bring about a lot of immediate and circuitous cost. The expenses of worker turnover can be amazing going from burning-through a significant considerable measure of yearly pay that a business would some way or another compensation to its labor force (Linda, 2002). The expenses of representatives turnover ordinarily incorporates; publicizing costs, scouting charges, asset the board costs, loss of time and effectiveness, work awkwardness, and worker preparing and advancement costs for new joiners (Harrie, 2002). The Muskan Bakery may quarterly figure representative turnover rates to amend the components causing the turnover (Miller, 2016). In the event that the Muskan Bakery decides the most well-known reasons for representative turnover, it would positively have the option to make the important strides for selecting and holding capable work force (Ambigo, 2016).

As per CORPORAL, 2016 a gigantic worry to most organizations is that representative turnover is an exorbitant endeavor particularly in associations that flourishes and qualities reasonability of the business. Worker compensation, Muskan Bakery benefits,

representative participation, and occupation execution are on the whole factors that add to representative turnover (Dessler, 2017). According to Murphy (2017) organizations take a profound premium in their representative turnover rate since turnover influence the running of the business by making interruptions which results to decrease underway and benefits of the association.

- **LITERATURE REVIEW**

- **Introduction**

This section reviews the relevant literature to form a basis for the study. It evaluates both the theoretical literature and the empirical literature on the impacts of employee turnover on organization efficiency.

- **Causes of Employee's Turnover**

- **Lack of Training and Development**

According to Paul (2014), training and development is a function of human resource management concerned with an organization's activity aimed at bettering the performance of individuals and groups in an organization's settings. It has been known by several names, including "human resource development", and "learning and development. New-hire Induction and staff development are two essential requirements for job preparation which are mandatory from the employers. The preparation of the job starts from recruitment (Bratton, 2013). Those employees who begin their jobs without any form of orientation are most likely unaware of workplace policies and procedures that they can benefit from. Additional training throughout the employment relationship helps the employee to update skills and become more productive and produce efficient workforce. When employees lack the training necessary to become more productive, their performance suffers and they will either leave of their own volition for jobs that provide training and employee support or they will be terminated for poor performance (Ambigo, 2013).

Trevor, (2014) stated that the best strategies for workforce retention generally include a combination of positive reinforcement, creating a satisfying working environment, paying employees well, and offering financial incentives and bonuses. On the other hand Braton (2013) stated that best employee retention strategies include benefit plans

such as health insurance, paid sick leave, and vacation. These views were supported by Anthony (2016) who affirmed that employees become more satisfied with their work and are less likely to leave since better work environment and employees' benefits empower them to affect positive changes within an organization.

- **Purpose of the Study**

The overall objective of the study was to assess the impacts of employee turnover on an organisation's efficiency.

- **Research Questions**

The study sought to answer the following research questions: To evaluate the causes of Employee turnover?

To assess the impact of Employee turnover on an organisation's efficiency? To determine the mitigating strategies of reducing Employee turnover?

- **Significance of the Study Researchers and Academicians**

The findings of this study are expected to be of great significance to various researchers involved in human resource development research activities. The documented report of this study will be easily acquired from the library and it will equip the learners with more knowledge and skills on factors contributing to employee turnover in all NGO's and other private sector organizations. The study will further make a myriad of contributions to the

literature on employee turnover which will be part of articles useful by researchers who want to further this study and to other wider stakeholders in the academic circles.

- **NGOs**

The study will be of great significance to the all NGO's and all organizations since it will highlight some of the critical challenges hindering increased growth and development in organizations of any kind. MUSKAN BAKERY through various stake holders will hence facilitate development of operational policies that influence

increased rate of staff retention in the organization.

- **Other Organizations**

The findings of this study are of great significance to not only NGO's but all organizations in the country since by using the analyzed results, human resource managers in all organizations will be in a better position to understand the causes of employee turnover rates and be conversant with the best staff retention strategies to manage high staff turnover rates.

- **Scope of the Study**

The study was confined to MUSKAN BAKERY headquarter offices situated in Uttar Pradesh to enable the management to disclose much information concerning the employee turnover problems. The data collection period was between May and June 2015.

- **SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS**

- **Introduction**

This chapter discusses the major findings of the study, draws its conclusion and presents practical recommendations against the backdrop provided in the literature review on the

impacts of employee turnover on an organisation's productivity, a case study of International Livestock Research Institute

- **Summary**

Most respondents indicated that the organization was experiencing high cases of employee turnover. The level of employee's turnover was indicated by majority of respondents to be high. Majority of respondents indicated that lack of retention strategies causes employee turnover in the organization. Most respondents felt that Employee turnover affected the organization productivity. Most respondents rated the level of Employee turnover in to be average when the level of employee's turnover was high. A mean of 4.64 indicates that the respondents indicated that lack of retention strategies affected organization productivity to a great extent, a mean of 4.35 presents that respondents expressed that low level of employee motivation affected organization productivity to a great extent, a mean of 4.38 shows that respondents expressed that lack of career development opportunities affected organization productivity to a great extent and finally a mean of 4.04 indicated that poor work environment affected organization productivity to a great extent.

Most respondents felt that the organization had employed various measures to manage employee turnover. Majority of respondents rated the effectiveness of the employed employee's turnover management strategies to be low. Most respondents felt that the

employed Employee turnover management strategies did not help in minimizing the rate of employee turnovers rates in the organization. Most respondents felt the employed Employee turnover management strategies affected realization of increased organization productivity to a small extent results on the possible solutions for managing employee turnover could affect organization productivity. A mean of 4.87 indicates that the respondents indicated that increasing employee remuneration could affect organization productivity to a great extent, a mean of 4.71 indicates that the respondents indicated that offering employee benefits could affect organization productivity to a great extent, a mean of 4.23 indicates that the respondents felt that career development programs could

affect organization productivity to a great extent and finally a mean of 3.61 indicates that respondents felt that better working conditions could affect organization productivity to a moderate extent.

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