

AN ENCOMPASSING ROLE OF VARIOUS FACTORS ON ATTRITION AND STEPS USE TO TACKLE THE ATTRITION IN STEEL INDUSTRY IN INDIA

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Abstract: Attrition could be a vital issue and pretty high within the business lately. It is the main problem which highlights all told the organizations. Although the term 'ATTRITION' is common, many would be at a loss to outline what really Attrition is, "Attrition is alleged to be the gradual reduction within the variety of staff through retirement, resignation or death. It may be said as turnover or worker Defection" Whenever a well-trained and well-adapted employee leaves the organization, it creates a vacuum. So, the organization loses key skills, knowledge and business relationships. Fashionable managers and personnel directors are very much curious about reducing Attrition within the organization, in such how that it'll contribute to the most effectiveness, growth, and progress of the organization. Retaining staff could be a vital and in progress effort. One in every of the most important challenges in having managers within the place that understands it's their responsibility to make and sustain an environment that fosters retention. Workers need reinforcement, direction and recognition to grow and stay happy in their positions. Managers should acknowledge this and perceive that establishing such fundamentals demonstrates their objectives to support nature and motivate their staff. This study is associate degree outcome of the subject known as "A Study on worker Attrition and Retention in steel industries in India. Objectives of this study is to grasp the explanations, why attrition happens, to spot the factors that build staff displeasure, to grasp the satisfactory level of staff towards their job and dealing conditions and to search out the areas wherever steel industries in India

Key Words: Attrition, retentive staff, Retention, Managers and steel industry.

1. INTRODUCTION:

Steel plays a significant role within the development of any fashionable economy. "Per capita consumption of steel" is mostly accepted as a yardstick of socio-economic development and living standards of individuals. No wonder, crude production within the world, since the start of last century, has been increasing steady touching the 1.5 Billion Metric MT mark in 2014 intrinsically no developing country will afford to ignore steel attributable to its strategic importance in development (Shaw, J.D et al., 2005). The globe crude steel output grew steady throughout the amount 1940-1980 as a result of the expansion of steel consumption in U.S., erstwhile Union of Soviet Socialist Republics, Japan and alternative developed countries in Europe (Arthur, W et al., 2006; Glebbeek, A.C., & Bax, E.H., 2004). However, the expansion rate slouching for successive fifteen years up to 1995 as a result of the globe wide recession. it's been calculable by the International Iron and Steel Institute (IISI) that world crude production may reach 2000 Billion Metric MT by the year 2020 (Sturman, M.C., & Trevor, C.O., 2001).

Steel has numerous applications however is preponderantly used as structural materials (Abelson, M et al., 1984; Arnold, H.J. and Feldman, D.C., 1982). Nearly 60% of steel produced in India is currently used in construction and remaining as automotive material, capital goods, consumer durables, packaging material and so on. Current level of steel production in the country is about 81 Million Metric tonnes, projecting a dismal figure for per capita steel consumption (Mobley, W.H et al., 1979). Therefore, as India moves ahead to become a developed nation, steel, which is essential for infra structure development (along with cement and electricity), must be available in large quantity (Weil, P.A. & Kimball, P.A., 1995; Wai, C.T. Teresa., 1998). This necessitates setting up of new energy and emission efficient steel plants, capacity enhancement of existing mills, adoption of new technology and removal of obsolesce from existing plants and so on (Lall, S., 1987). Attrition occurs when an employee ends his membership in an organization where he or she received monetary compensation for the work done (Trevor, C.O., 2001; Schervish, P.G., 1983). Attrition concentrates on the cessation, separation or leave from an organization, not the related issues of accession, transfer, or other company intern movements (Boswell, W.R et al., 2005). In the same context Attrition is only concerned with the employees who receive monetary compensation and not with non-employee relationships such as, students, volunteers, etc (Berg, T.R., 1991). Therefore Attrition is an important issue that needs to be examined closely by the managers of a company. Mobley (1982) explains that a manager must be able to diagnose turnover, design and implement policies, evaluate the effects of the changes, and anticipate if further changes are required (Pfeffer, J., 1994; Pfeffer, J., 2005). Many factors play a role in the employee Attrition rate of any company,

and these can stem from both the employer and the employees. Wages, company benefits, employee attendance, and job performance are all factors that play a significant role in employee turnover (Malathi, M. G).

2. OVERVIEW OF JOB ATTRITION:

Job Attrition will be terribly expensive to the organizations as a full. Therefore, managers ought to perpetually air the lookout to cut back job Attrition. a similar factors that cause low morale and absence contribute to high Attrition (Barrick, M.R., & Zimmerman, R.D., 2005; Cotton, J.L et al., 1986). Basically, if the workers aren't curious about their jobs, they're going to leave. Being sad isn't the sole reason why staff leave their jobs (Dickter, D.N et al., 1996). There square measure many alternative reasons that may contribute to Attrition within the firms. Sometimes, people leave their firms as a result of their skills square measure in demand, and so they're lured away by alternative firms for higher pay and higher advantages. sadly, there aren't a lot of that firms will do to stay their staff from going for higher pay and higher advantages (Hinkin, T.R., & Tracey, J.B., 2000). However, if unhappiness is that the primary reason why staff leaves, there are lots that firms will do to stop the turnover. The solutions are going to be mentioned later during this analysis. During this section, the first focus is going to be on the causes of turnover. In this research evaluated about the factors involved in job attrition in steel industry of India. This research utilizes primary data collection mechanism from steel industries employees.

3. RESEARCH METHODOLOGY:

The survey method used in the present study is sample survey and the research design choice, particularly for steel industries, depends on the kind of problems being studied. Here descriptive research design may suit research topics for small enterprises. The target respondents of the study are the employees of steel industries located in India. The total sample size taken for the present study is 130 and the sample method used is convenient sample method. The selected respondents belonged to the steel industries, it is important to recognize that these categories of manufacturing industries are the predominant type of small scale enterprises in the district. The primary information was collected through form followed by the discussions with management and staff of steel industries settled within the industrial in India.

4. RESEARCH HYPOTHESIS:

Null hypothesis: There is no a significant relation between attrition factor and education in steel industry of India.
 Alternate hypothesis: There is significant relation between attrition factor and education in steel industry of India.
 Null hypothesis: There is no a significant relation between attrition factor and experience in steel industry of India.
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5. RESULTS AND DISCUSSIONS:

Remuneration could be a sort of compensation paid sporadically by associate degree leader to associate degree worker, the number associate degreed frequency of which can be laid out in an employment agreement. The subsequent table shows the employee's opinion about remuneration in varied attributes. Data from the selected samples are collected through five-point Linkert's scale questionnaire. For paper constraint certain factors alone presented in table 1 as follow:

Attributes Factors	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Comparison of salary with competitors company	(17) 13.1%	(58) 44.6%	(37) 28.5%	(18) 13.8%	(0) 0%
Bonus offered by the company	(64) 49.2%	(24) 18.5%	(30) 23.1%	(12) 9.2%	(0) 0%
Increment of the company	(38) 29.2%	(35) 26.9%	(28) 21.5%	(24) 18.5%	(5) 3.8%
Job satisfaction depends on salary and increment	(53) 40.8%	(32) 24.6%	(14) 10.8%	(31) 23.8%	(0) 0%
Job promotion through higher official support	(41) 31.5 %	(32) 24.6 %	(18) 13.8 %	(39) 30.0 %	(0) 0%
Opportunities in company	(57) 43.8 %	(28) 21.5 %	(20) 15.4 %	(17) 13.1 %	(8) 6.2 %
Promotion chances	(39) 30.0 %	(40) 30.8 %	(20) 15.4 %	(26) 20.0 %	(5) 3.8 %

Benefits offered in industry	(48) 36.9 %	(31) 23.8 %	(17) 13.1 %	(19) 14.6 %	(15) 11.5 %
Satisfaction about physical working condition	(45) 34.6 %	(43) 33.1 %	(11) 8.5 %	(16) 12.3 %	(15) 11.5 %
Employees policies and procedure	(51) 39.2 %	(28) 21.5 %	(33) 25.4 %	(5) 3.8 %	(13) 10.0 %
Planned to left the industry	(13) 10.0 %	(6) 4.6 %	(25) 19.2 %	(38) 29.2 %	(23) 17.7 %
Proper recognition with appropriate support	(43) 33.1 %	(22) 16.9 %	(46) 35.4 %	(19) 14.6 %	(0) 0 %

Table 1: Collected data from samples

From the top of table it had been inferred that 44.6 % of staff have the opinion that their remuneration compared with the competition company as high, 28.5 % same its medium, 13.8 % same its low. And 49.2 % of staff have associate degree opinion that the performance bonus they obtaining is extremely high, 23.1 % same as medium and one 8.5 % as high. And 29.2 percent of employees has an opinion that the quality of increment within the company is extremely high, 18.5 percent said it is low. And 40.8 percent of employees has an opinion that they are satisfied with the level of salary & increment, 23.8 percent said it is low.

It leads to conclusion that 44.6 percent of employees have the opinion that their salary compared with the competitor company as high, 49.2 percent of employees has an opinion that the performance bonus they getting is very high, 29.2 percent of employees has an opinion that the standard of increment in the company is very high and 40.8 percent of employees has an opinion that they are satisfied with the level of salary & increment.

6. EMPLOYEE'S OPINION ABOUT SUPERIOR – SUBORDINATE RELATIONSHIP:

In an organization communication occurs between members of different hierarchical positions. Superior-subordinate communication refers to the interactions between organizational leaders and their subordinates and how they work together to achieve personal and organizational goals. From the above table it was inferred that 41.5 percent of employees have the opinion that their encouragement from superior is high, 23.8 percent said it is medium and 6.2 percent said it is very low. And 31.5 percent of employees has an opinion that the superior's effort to help for job promotion is very high, 13.8 percent said it is medium and 30 percent said it is low. It leads to conclusion that 41.5 percent of employees have the opinion that their encouragement from superior is high and 31.5 percent of employees have an opinion that the superior's effort to help for job promotion is very high.

7. EMPLOYEE'S OPINION ABOUT GROWTH OPPORTUNITIES:

An employee's perception of internal opportunities for growth and development is one of the more important predictors of employee engagement. Understanding this, there were disappointed to discover, through our latest research, that the employee perception of internal opportunities is the lowest it has ever been. From the above table 1 it was inferred that 43.8 percent of employees have the opinion that their opportunities provided by the company is very high, 15.4 percent said it is medium and 6.2 percent said it is very low. And 30 percent of employees have an opinion that the chances of promotion are very high and 15.4 percent said it is medium and 3.8 percent said it is very low. It leads to conclude that 43.8 percent of employees have the opinion that their opportunities provided by the company are very high and 30 percent of employees have an opinion that the chances of promotion are very high.

8. EMPLOYEE'S OPINION ABOUT FACILITIES:

Facilities management is very important whatever type of organization is considered, the management of the pool and sports halls in a leisure center, including changing pool water, making sure that electricity and lighting is regularly maintained etc., the machinery and equipment in a manufacturing plant, the maintenance of the pitch, and stadium for a sports club including regular checks on floodlights, health and safety equipment etc.

From the above table 1 it was inferred that 36.9 percent of employees have the opinion that the welfare facilities provided to them by the company is very high, 13.1 percent said it is medium and 11.5 percent said it is very low. And 34.6 percent of employees has an opinion that the physical working conditions are very high, 8.5 percent said it is medium and 11.5 percent said it is very low. It leads to conclusion that 36.9 percent of employees have the opinion that the welfare facilities provided to them by the company is very high and 34.6 percent of employees have an opinion that the physical working conditions are very high.

9. EMPLOYEE'S OPINION ABOUT POLICIES AND PROCEDURES:

A policy is a principle or rule to guide decisions and achieve rational outcomes. A policy is a statement of intent, and is implemented as a procedure or protocol. Policies are generally adopted by the Board of or senior governance body within an organization whereas procedures or protocols would be developed and adopted by senior executive officers. It was inferred that 39.2 percent of employees have the opinion that the employee policies and procedures of the company is very high, 25.4 percent said it is medium and 10.0 percent said it is very low. And 38.5 percent of employees has an opinion that the administration of the policies are very high, 26.9 percent said it is medium and 12.3 percent said it is low. It leads to conclusion that 39.2 percent of employees have the opinion that the employee policies and procedures of the company are very high and 38.5 percent of employees have an opinion that the administrations of the policies are very high.

10. ATTRITION LEVEL DUE TO ABOVE MENTIONED FACTS:

Attrition level describes the standard of the organization and the capacity of them to retain them. From the above table it was inferred that 29.2 percent of employees having the opinion of leaving the company is very high as well as low, 19.2 percent said it is medium , 4.6 percent said it is high and 17.7 percent said it is very low. It leads to the conclusion that 29.2 percent of employees are having the opinion of leaving the company which is very high.

11. EMPLOYEE'S OPINION ABOUT RECOGNITION:

Employee Recognition is the timely, informal or formal acknowledgement of a person's or team's behavior, effort or business result that supports the organization's goals and values, and which has clearly been beyond normal expectations. The following table shows the employee's opinion about superior – subordinate relationship in various attributes. From the above table it was inferred that 35.4 percent of employees have the opinion that the Recognition received by the company for their abilities, efficiency and good work done are medium, 16.9 percent said it is high and 14.6 percent said it is low. And 45.4 percent of employees has an opinion that the Cash award/salary increase/promotion getting for outstanding performance are medium, 7.7 percent said it is very high and 6.2 percent said it is very low. It leads to conclusion that 35.4 percent of employees have the opinion that the Recognition received by the company for their abilities, efficiency and good work done are medium and 45.4 percent of employees has an opinion that the Cash award/salary increase/promotion getting for outstanding performance are medium.

Factors	Mean Square	F	Sig.
Training	2.273	23.661	.000
Recognition	2.556	19.405	.000
Appreciation	1.636	23.625	.000
Suggestions	1.605	17.877	.000
Co-Workers Relationship	1.763	32.018	.000

Table 2: ANOVA analysis for Hypothesis 1

It was found by ANOVA test that there is a significant Difference (at 0.05 levels) among the different categories of educational qualification of the respondent with the motivational factors relating to employee retention hence null hypothesis is accepted.

Factors	Mean Square	F	Sig.
Training	2.886	9.708	.000
Recognition	3.647	1.032	.381
Appreciation	2.390	2.917	.037
Suggestions	2.143	2.849	.040
Co-Workers Relationship	2.646	7.331	.000

Table 3: ANOVA analysis for Hypothesis 2

It was found by ANOVA test that there is a significant Difference (at 0.05 levels) amongst the different categories of experience of the respondent with the motivational factors relating to employee retention hence null hypothesis is accepted.

12. SUGGESTIONS TO OVERCOME THE ATTRITION:

- a. Many employees have suggested improvement in working environment and employee motivation in the survey. So the companies should give attention to the factors which it can improve itself internally.

- b. Even though the employees are satisfied with their nature of job, it is identified in the study that many employees prefer to change their job due to lack of growth opportunities in their job. So the companies can look for some innovative technologies to decrease their attrition level by providing growth opportunities.
- c. The companies should conduct regular meetings to know about what exactly employees expect. Organizations should focus on exit interviews.
- d. The companies may give training like Personality Development and Self - improvement training to the employees, every three or six months once this status has to be reviewed and necessary action can be taken. It is better to have such training in the future.

13. CONCLUSION:

The main aim of any organization is to earn profit. However to achieve the utmost profit, the organization ought to concentrate additional on staff and also the ways that to retain them for his or her long run. From the study it's known that lack of growth opportunities and remuneration area unit the key factors that force staff to vary their jobs. This study concludes that to cut back attrition industries ought to produce some opportunities for the expansion of their staff at intervals the organization by adopting new Innovative Technologies and Effective coaching programs. the corporate ought to additionally consider recruiting folks that area unit within the section of the business, in order that the family connected issues won't result in attrition.

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