

A STUDY TO IDENTIFY THE FACTORS OF EMPLOYEE RETENTION IN IT COMPANIES

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ABSTRACT

Study aims to identify the factors of employee retention and its significance in selected five IT companies of Bangalore. The study is mainly based on the primary data collected from employees of the IT companies. The sample size of the study was 500 and the number of companies selected were five namely; SAP, Infosys, Cognizant, Oracle and Huawei. It was found from the study that total five factors have been identified from the factor analysis which leads to employee retention in the selected IT companies. These factors are namely; working environment, management behaviour, job characteristics, interpersonal relationship and career growth & development. It was found from the stepwise multiple regression analysis that Employee Retention in IT companies gets affected by the Job Characteristics, Working Environment, Career growth & development, Interpersonal Relationship, and Management Behaviour factors. All the five independent variables namely; Job Characteristics, responsibility factors, Career growth & development, Interpersonal Relationship and Management Behaviour, are found to be positively and significantly related to the Employee Retention.

KEYWORDS: *Employee Retention, Management Behaviour, Interpersonal Relationship, Working Conditions, Job Security, Econometric Analysis.*

Introduction

In the current scenario, a major challenge for an organization is to retain its valuable and talented employees. The management can control the problem of employees quitting the organization within no time to a great extent but can't put a complete full stop to it. There are several challenges to it. Every organization has a salary budget for every employee who can be raised to some extent but not beyond a certain limit. Retention becomes a problem when an employee quotes an exceptionally high figure beyond the budget of the organization and is just not willing to compromise. The organization needs to take care of the interests of the other employees as well and can't afford to make them angry. The salaries of the individuals working at the same level should be more or less similar to avoid major disputes amongst employees. A high potential employee is always the center of attention at every workplace but one should not take any undue advantage. One should understand the limitation of the management and quote something which matches the budget of the organization. An individual should not be adamant on a particular figure, otherwise it becomes difficult for the organization to retain him. Remember there is a room for negotiation everywhere. Every organization tries its level best to hire employees from the competitors and thus provide lucrative opportunities to attract them. Employees become greedy for money and position and thus look forward to changing the present job and join the competitors. No amount of counselling helps in such cases and retaining employees becomes a

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