Causes and Remedies of Attrition at XYZ Dealer Network (Noida and Faridabad)

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Abstract - The present research was conducted for XYZ Earthmovers as they wanted to know that despite of providing all the facilities, why the attrition rate was getting higher at their dealers network (Noida and Faridabad). The study adopted the primary method of data collection and used grounded theory approach for the research. The employees who left the organization in recent past were taken as the sample for the study. A total of fifteen core reasons were found and further they were broadly categorized in seven causes of attrition. For better understanding, a model is also proposed and few strategies are also suggested for the company based on some of the best practices followed by the Industry.

Key words - Attrition causes, Attrition Model, Attrition strategies, Dealer network.

Note - Name of the organization is replaced with XYZ.

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INTRODUCTION:

Human resource management is all about managing the human aspect of the organization. It means employing people, developing their resources, utilizing, maintaining and compensating their services in tune with the job and organizational requirements. In Today's scenario the employees leave the organization and switch over to next job due to various reasons, which results into huge losses to the organization. Retention means keeping the employees with the organization for as long time as they can be. Employee retention involves taking measures to encourage the employees to remain in the organization for the maximum period of time. Hiring knowledgeable people for the job is essential for an employer but retention is even more important than hiring. Hence in today's environment it becomes very important to the organization to retain their employees.

Problem formulation: Examining the causes behind attrition and suggesting strategies for retaining employees at XYZ dealer network.

The management of the human resources is objected towards create and utilize motivated workforce, establish and maintain sound organizational structure, to identify and satisfy individual and group needs, to strengthen and appreciate the human assets continuously by providing training and development programmes, to secure the integration of individual and groups within the organization by co-ordination of the individual and the group, to provide facilities and conditions of work and creation of favorable atmosphere for maintaining stability of employment. In today's scenario the employees leave the organization and switch over to next job due to various reasons, which result into huge losses to the organization. Retention of the employees is critical to Long Term Health and Success of the organization. Employee retention involves taking measures to encourage the employees to remain in the organization for the maximum period of time. These days it is a well known fact that retaining the best employees ensures: Customer Satisfaction, Increased Product Sales, Satisfied Colleagues and Reporting Staff, Effective Succession Planning, Deeply Imbedded Organizational Knowledge and Learning etc. Employee retention matters as organizational issues such as: Training Time and Investment, Lost Knowledge, Insecure employees, Costly Candidate Search are involved. So failing to retain a key employee is a costly proposition for an organization. Various estimates suggest that losing a middle manager in most organizations costs up to five times of his salary. Hence in today's environment it becomes very important to the organization to retain their employees. The top organizations are at top because they value their employees and they know how to keep their employees glued to the organization.

LITERATURE REVIEW:

Buragohain (2016) proposed some remedies for attrition which include the Company should look into the matter of the salary of the employees and provide such salary which satisfies its employees to some extent in order to retain its employees. Company should employ more people in the department to reduce the work load. The Company should empower the employees and give them some authority to take decisions. Company should also take measures to enhance the motivation of the employees. The other strategies include shortening the feedback loop, offer a competitive compensation package, balance work and personal life, beware of burnout, the ability to provide input and be taken seriously and make use of a team member's talents, skills, and abilities (Rainmaker group).

The reasons proposed by Buragohain (2016) in auto industry include the nature of their job, Growth opportunities, Relationship with their boss, supervisor & colleagues, Working environment, Appraisal system, Canteen facility, Work life balance, Training programs, Attention to individual needs, Reputation of the Company, Company's terms, Resources to do their job, Leaders who

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guide them and Support. Further, the employees consider their pay structure as important in relation to their job, but majority of them were found to be dissatisfied with it. Also the employees were observed to be dissatisfied with the distribution of work load. Thomas (2013) in his study of construction industry stated that causes of turnover are pay satisfaction, other benefits obtained from the company and alternative employment opportunities.

To retain the employees company should follow strategies like flexible compensation package, creating bonding among employees, effective communication strategy; need based training and development programs, regular medical checkups and facilities like holiday homes to the senior managers (Vembhu, 2008).

People do not leave an organization, they leave their bosses. people leave their jobs with respect to a particular team or department, a specific job function which is high pressured, a reporting manager, lack of communication, lack of timely recognition, incompatibility with the culture, inflexibility in the work timing and compensation have been stressed by the study as being the biggest reasons behind the attrition (Vembhu, 2008).).

The employees in the organization may be retained by offering fair and competitive salaries along with giving adequate importance to benefits too, training the front-line supervisors, managers and administrators, clearly defining roles and responsibilities, providing adequate advancement opportunities, proffering retention bonuses instead of sign-on bonuses; reducing the paperwork burden, making room for fun, communicating openly, being flexible and showing your employees that you value them (Seth, 2007).

Smith (2004) in his study analyzed various reasons which lead an employee to change his/her job. Certain issues highlighted in the study include salary, communication, dissatisfaction and absence of acknowledgement. These problems in the organizations have varied significance for the employees as on the basis of salary people decide upon whether to stay or leave a particular organisation. Lack of communication leads to dissatisfaction and decreased morale and hence job change. Ignorance towards the ideas raised by the employees also serves as a major cause of employee attrition.

Meaghan (2002) states that the value of employees to an organization is a very crucial for success of the organization; giving this statement he draws an attention on control of employee attrition. He also states that this value is intangible and cannot easily be replicated.

RESEARCH DESIGN:

Significance of study:
Organizations are social systems where human resources are the most important factors for effectiveness and efficiency. Organizations need effective managers and employees to achieve their objectives not for only today but for future growth as well. For the purpose the employees who joined the organisation and were trained to achieve organizational objectives should remain with the organisation for as much time as possible. The present study is also intended to provide some suggestions to keep the employees glued to the organization specifically for XYZ Earthmovers and for Industry in general.

Objectives of the Study
1. To investigate the major causes of attrition in XYZ dealers.
2. To offer some strategies for the retention of employees.

RESEARCH METHODS:

Qualitative research employs an inductive approach and a fundamentally different role of the researcher and interpretation of findings (Creswell 2007). In qualitative research, the researcher plays an active role in both the generation and interpretation of insight, and a more subjective perspective on the nature of reality is embraced. Qualitative research allows for a more discovery-oriented approach in conducting research and can be particularly useful in exploring phenomena where little understanding exists. A priori hypotheses are not necessary in qualitative research. Qualitative approaches can uncover themes and hypotheses entirely unknown to the extant literature or the researcher. Researchers are thus able to generate rather than test theory. This can provide deeper insight and more complete understandings of the perspectives of the applicable population. Finally, qualitative approaches provide greater researcher flexibility and subjective interpretation, which may be necessary for understanding highly complex phenomena.

The respondents were the employees of XYZ dealer network (Noida and Faridabad) in varying specialties and were considered in the final sample. A total no of 16 respondents were included from both the dealers. The analysis is presented in the tabular form and a model is also prepared to show the results. The detailed interview data is presented in the tables below. Some suggestions are provided by the researchers on the basis of literature review and market analysis.

ANALYSIS AND RESULTS: Detailed data in of the employees after the in-depth interview.

Name	Noida Dealer	Name	Faridabad Dealer
Candidate-PR	• No added fringe benefits were provided • No trainings were provided • Work overload lead to stress and diminished job satisfaction and hence job change • Channel of raising problems to dealer principal was long through HR and CEO	Candidate-N	• Growth prospects. • No progress in due time. • Poor working environment and facilities. • Lack of support and appreciation. • Insult in public. • No encouragement for cordial relations

	and half of the problems remained untackled and unresolved • Problems were not raised to dealer principal • No support for further education or examination • Salary was deducted for leave taken for studies or exams • No increments and promotion		among employees. • Poor grievance handling procedure. • Biasness in behavior of superior. • No training. • Very rigid time schedule. • No holidays or special leaves. • No added benefits as medical, education. • Work overload. • Too much reporting. • Salary issues
Candidate-G	• Bank job left because of personal reason • Customer relationship managers. • Grade hike and salary hike for job change.	Candidate-NK	• Changed job due to Night shift. • Salary deduction for coming late. • No added benefits as for education, marriage and medical. • No additional leaves as for marriage or medical. • No promotion or increments. • Rigid boss. • No personal space provided. • Poor conflict resolution policy. • Too much reporting and interference of boss. • Behavior of boss not good
Candidate-Di	• Meerut to Noida • Growth • No scope in the city that's why joined XYZ. • IT employee • Customer dealing • Software • Environment. Operations only • Brand name. salary • Work environment	Candidate-D	• No salary Hike. • Fewer appraisals. • Less recognition. • No added food facility for (self made or paid). • No additional benefit other than salary. No time for relaxation. • Rigid schedule (strict timing for morning and evening). • No overtime benefit. • Salary hike dependent on mood swings. • Attitude problem with CEO and MD. • Only verbal support was there, no added benefits for studies or medical aid
Candidate-RK	• 30yeras, service engineers, first job in XYZ (9years). • Left in Oct 2016. • Political behavior of mangers. • Atmosphere and rude behavior of manager, 9 years after previous boss.	Candidate-De	• Reason for job change is growth. • Salary hike • Office environment. • Salary comes on time. • Leave allowance.
Candidate-MS	• Left NOIDA DEALER in JAN 2015 • Service engineer (repairing and shop) • Going for service and part repair • No incentives on target accomplishment. • Non realistic target.	Candidate-Ga	• Limitless workload and work timing • Taking leave was not allowed and Leave was not sanctioned • Salary was given for not availing leave (Earned leave not reimbursed) • Intolerable Behavior of senior • Very less support for other activities like sports, studies. • Award ceremony not conducted since last two years • No appreciation and salary hike for doing good
Candidate-R	• Job change due to personal reasons • No paid holidays, child education leave • Lack of counseling	Candidate-J	• Management is not comfortable for working. • No Salary issues.

|		• Good working environment.

FINDINGS OF CORE CATEGORY:
1. Senior's behavioral aspect
2. Stressful Work environment
3. Unaddressed problems
4. Absence of Non-monetary benefits
5. Decreased Career growth
6. Overburden with work
7. Absence of training and counseling.
8. Work place dimensions
9. Stringent Superior Behavior
10. Inappropriate Appraisal System
11. Public dishonor
12. Inflexible Schedule
13. Work Overload and Over Reporting
14. Inadequate Leave Policy
15. Lack of Appreciation

MODEL FOR ATTRITION: For the ease of making model more effective and communicative the core categories are further clubbed into precise heads.
1. Stringent behavior.
2. Public dishonor
3. Exhaustive work schedule.
4. Rigid time Schedule
5. Fewer growth opportunities.
6. Inadequate leave and Appraisal policies.
7. Dearth of training and mentoring.

ATTRITION MODEL:
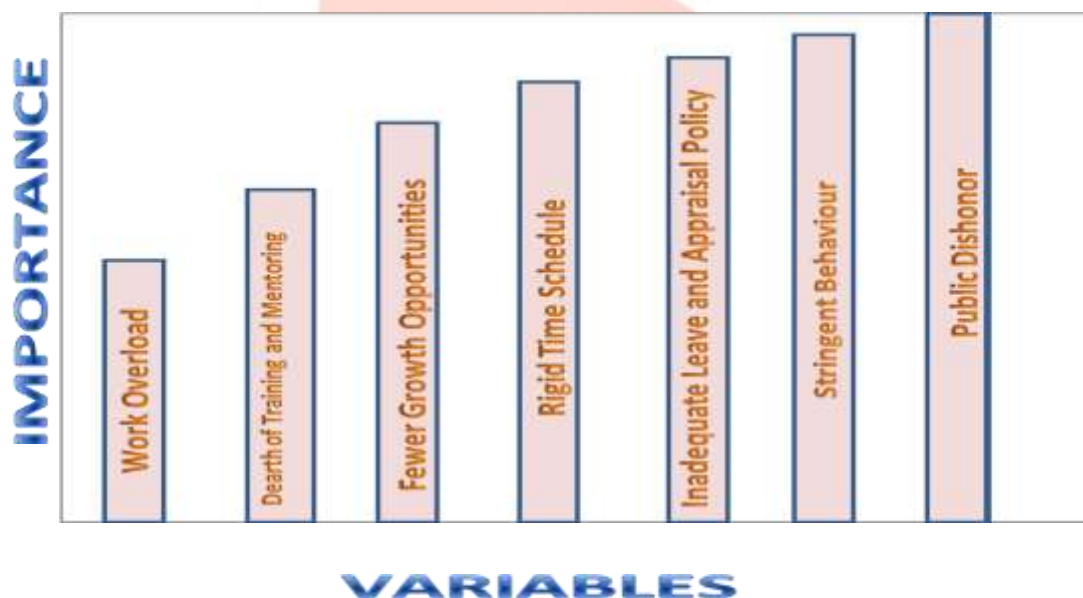
Fig: Attrition Model

STRATEGIES FOR EMPLOYEE RETENTION FOR XYZDEALER NETWORK:
The study has analyzed various reasons due to which employees have been found to leave their jobs at dealers' network of XYZ. Various strategies to overcome those problems have been discussed in the following section.

1. **Stringent behavior:** It is observed in the research that the employees have felt very strongly that the behavior of the seniors towards the employees is very harsh. Many a time employees are being shouted upon due to the mistakes of others and then again insulted in public. Such type of stringent behavior of the seniors increases stress and creates a feeling of humiliation and leads to change in job. It is here suggested that the seniors may be provided behavioral training through which they will be better able to understand their juniors and have empathy towards them that will ultimately lead to retain the best talent with the organization.

2. **Inadequate leave and Appraisal policies:** One of the major causes found in XYZ dealers' network for employees to leave the organization is the unavailability of proper leave and remuneration facilities. The organization should follow a policy of leaves that is flexible and provides a room to employees to utilize the opportunities of growth in terms of higher education and other skills development programme. The company should also provide some sort of relaxation in leaves to the employees for some urgent and important purposes like medical, marriage and religious events. Although these may be

restricted in numbers but there at least must be some provision. Furthermore company also needs to follow adequate appraisal policy that is designed in a manner which considers the performance of the employee as the most important factor**.** It also takes into account the efforts and behavioral aspects of the employees so that employees can more concentrate on their performance technical and behavioral both.

3. **Fewer growth opportunities:** Another major reason raised by employees to leave XYZ is fewer growth opportunities. It is suggested that the company should provide opportunities to its employee to grow. The growth of the employees must be oriented towards the overall growth of the organization and should include technical, societal and behavioral growth.

4. **Public dishonor:** Employees in the organization felt humiliated when they were told their mistakes in front of all the employees and they were shouted upon also in public. It is suggested that the seniors should take care of their words and language when dealing with employees with in public and in person as well. The seniors must be provided behavioral training so that they behave in proper manner with the subordinates.

5. **Rigid time Schedule:** Inflexible time schedule posed another threat on the employees to change their job. It is suggested that the employees should be provided liberty to some extent in their punch in and punch out time which will help them to decrease stress and ultimately generate happy employees who will want to be the company for long time.

6. **Dearth of training and mentoring:** The performance of the employees got affected and decreased as they were not equipped with enough training required for high degree of performance. Therefore the organization should impart proper training and coach them to utilize their skills and knowledge to the fullest. This will lead to generate efficient workforce and happy people who want to be with the company.

CONCLUSION:

This paper titled "A study on causes and remedies of attrition at XYZ Dealer Network" is primary data based study. The researchers tried to collect data through in-depth interview of the employees who left the organization (with the help of data provided by XYZ dealers). The study follows Grounded theory method. As basic requirement of the study is to find out the causes behind the attrition in dealers network of Faridabad and Noida, the entire study questions are based on the attrition causes. The respondents were talking about their problems which they felt while working in the organization and the issues which lead to their resignations. After a thorough analysis by following four steps of grounded theory method some issues were found out and then further for defining the things more clearly a model is prepared by the researchers. Some remedies are also suggested to the organization based on best researches in the field.

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ANNEXURE: 1

Broad areas in which questions were asked:
Personal information:
Name (optional):
Age:
Gender: Male/female
Educational Qualification:
Years of Experience:
Years spent in XYZ:
Designation:
Date of leaving Job:
No. of job changes in entire career

1. What are your reasons for joining XYZ?
2. While joining the organization what were your expectations from the Company?
3. What did you like most about this company?
4. What did you like least about this company?
5. What was most satisfying about your job?
6. If you look for a new Job, (in a new company) what will be your preference?
7. How frequently you like to switch any job.
8. What major job benefits you get after switching any job.
9. How much are you satisfied with the current job?
10. To what extent do you feel that quitting the present job will give you a more satisfying job?
11. The manager or the senior is responsible for maintaining healthy relationship among employees.
12. Rules, regulations and policies of the organization are how far important for you at the time of job search.
13. Relationship among employees in various departments increases a sense of belongingness among employees and hence less frequent job changes.
14. Care by the seniors for the dreams and career growth of employees keeps them with the organization?
15. What type of environment keeps the employees for longer time in the organization?
16. Active participation of employees in decision making creates the feeling of belongingness and keeps them with the company.
17. Well defined Pay structure is how far responsible for staying in any job.
18. What is your view in relation to work load variation among colleagues?
19. Do you look for Transport facilities at the time of searching any job?
20. Do you look for Holiday Packages at the time of searching any job?
21. Rewards and recognition given by companies is important for an employee to stay with organization.
22. Informal grouping (friends) plays an important role for job satisfaction.
23. Does XYZ allow maintaining personal relations in the organization?
24. Working hour's extension is a trend in the organizations now days, does it leads to quieting the jobs.
25. Support for further studies by the organization is important for career and individual growth.