A STUDY ON RETENTION MANAGEMENT SYSTEM WITH REFERENCE TO TECH MAHINDRA VISAKHAPATNAM, ANDHRA PRADESH INDIA

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DOI: https://www.doi.org/10.58257/IJPREMS37618

ABSTRACT

Human resources are the life-blood of any organization. Even though most of the organizations are now a days, found to be technology driven, yet human resources are required to run the technology. They are the most vital and dynamic resources of any organization. With allround development in each and every area of the economy, there is stiff competition in the market. With this development and competition, there are lots and lots of avenues and opportunities available in the hands of the human resources. The biggest challenge that Tech Mahindra facing today is not only managing these resources but also retaining them. Securing and retaining skilled employees plays a important role for any organization, because employees' knowledge and skills are central to companies' ability to be economically competitive. Besides, continuously satisfying the employees is another challenge that the employers are facing today at Tech Mahindra. Keeping into account the importance and sensitivity of the issue of retention to any organization, the present study tries to review the various available literature and research work on employee retention and the factors affecting employee retention and job satisfaction among the employees.

Key Words: Human Resources , Employee Retention ,Job Satisfaction.

1. INTRODUCTION

Human Resource Management (HRM)

The Human Resources Management function includes a variety of activities, andkey among them is deciding what staffing needs are and whether to use independent contractors or hire employees to fill these needs, recruiting and training the best employees, ensuring that they are high performers, dealing with performance issues, and ensuring personnel and management practices conform to various regulations.Activities also include managing employee benefits and compensation,employee records and personnel policies. Employee retention is important and good people to be retained by all means in the organization. When they leave, they take with them intellectual property, relationships, investments (in both time and money), and a chunk of your future. Employee Retention Strategies help organizations provide effective employee communication to improve commitment and enhance workforce support for key corporate initiatives

Retention Management- Retention management focuses on measures that lead to retention of employees. It includes activities that systematically influence the performance and degree of loyalty of staff**.** Chaminade Cascio (2003) perceived retention as "initiatives which the management takes to prevent employees from leaving the organization". The author Brown (2005) claimed that a good orientation program which is designed appropriately, whether it is short or long, will improve retention of employees.

Benefits of Employee Retention

Here are several of the benefits organizations stand to reap from keeping their most talented and skilled people:

- **Better process efficiency**: Employees that have been with an organization for a long time know how things work and how to get things done.

- **Higher employee productivity**: Long-time employees are usually more efficient and make fewer mistakes than newer ones, who typically need time to get acclimated to the company and its work processes.

- **Higher morale**: When employees stay on the job for some time, they tend to feel a sense of belonging, which can contribute to higher morale. High employee turnover rates, however, can demoralize the people who remain, as they see their colleagues leave and often have to cover for them.

INTRODUCTION OF BPO INDUSTRY

Business process outsourcing (BPO) is a business practice in which an organization contracts with an external service provider to perform an essential business task. Processes that are performed the same or similarly from company to company, such as payroll or accounting, are candidates for BPO

Business process outsourcing to India refers to the business services in the outsourcing industry in India, catering mainly to Western operations of multinational (MNCs).

The term BPO (business process outsourcing) refers to delegating one's back-end processes to another company (vendor). Major corporations and businesses outsource their back-office work to BPO companies to minimize overhead cost and maximize productivity. Business process outsourcing can be segmented into back-office outsourcing and front-office outsourcing.

PROFILE OF TECH MAHINDRA

Tech Mahindra is an Indian Information Technology company that provides services such as Network technology solutions and Business process outsourcing (BPO) to a huge variety of industries. Tech Mahindra is a part of Mahindra group and is worth 4.7 billion dollars. Tech Mahindra has a presence over 90 countries along with a support of 1, 15, 200+ professionals. Tech Mahindra has helped over 903 global clients including Fortune 500 companies.

Mahindra & Mahindra started a joint venture with British Telecom in the year 1986. British Telecom was initially a partner of 30% with Mahindra but later on gradually sold its entire share to investors by the year 2012. In the year 2008-09 Tech Mahindra bought Satyam Computer Services through a subsidiary and doubled its number of employees. Tech Mahindra then finally merged with Mahindra Satyam in the year 2012 and thus created a $2.5 billion company IT Company.

2. LITERATURE OF REVIEW

Herzberg's Two-Factor Theory (1959): Herzberg proposed that job satisfaction and dissatisfaction stem from two distinct factors: hygiene factors (e.g., salary, work conditions) and motivators (e.g., achievement, recognition). Retention efforts must address both dimensions to enhance employee engagement.

Maslow's Hierarchy of Needs (1943): Maslow's model emphasizes that employees must have their basic physiological and safety needs met before they can be motivated by higher-order needs like esteem and self-actualization. Retention strategies must address these needs holistically.

Organizational Commitment Theory: Meyer and Allen (1991) developed a model of organizational commitment, which identifies three components: affective commitment (emotional attachment), normative commitment (sense of obligation), and continuance commitment (the cost of leaving). Employees with strong affective commitment tend to stay longer in their organizations.

Leaders who demonstrate empathy, fairness, and provide regular feedback help foster a positive work environment conducive to retention (Avolio et al., 2004).

Effective onboarding helps employees feel welcomed and valued from the outset, improving their early-stage retention (Bauer, 2010).

Different generations have different expectations and preferences concerning job security, compensation, and work-life balance (Ng et al., 2010).

Parasuraman et al. (1988) proposed that service quality, measured along five dimensions (reliability, assurance, tangibles, empathy, and responsiveness), is directly linked to customer satisfaction and retention.

Offering flexible hours, remote work options, or compressed workweeks has become a significant retention tool (Hill et al., 2001).

3. NEED FOR THE STUDY

Hiring is not an easy process. When an individual resigns from his present organization, it is more likely that he would join the competitors. The employees working for a longer period of time are more familiar with the company's policies, guidelines and thus they adjust better. It has been observed that individuals sticking to an organization for a longer span are more loyal and it is essential to retain those employees showing potential.

Employee retention strategies go a long way in motivating the employees so that they stick to the organization for the maximum time and contribute effectively. It's essential to try to learn more about the reasons why people resign. Many people leave their jobs because they are dissatisfied with their current situation and it is essential to know the reasons for their dissatisfaction.

4. OBJECTIVES OF THE STUDY

➢ To analyze about retention strategies at Tech Mahindra.

➢ To analyze about organization and culture programme used in BPO/ITcompanies.

➢ To study about employee retention strategies and all the systematic effort used tocreate and foster an environment that encourages current employees.

➢ To know the extent of effectiveness of employee retention strategies adopted by Tech Mahindra.

5. METHODOLOGY OF THE STUDY

PRIMARY DATA- Primary Data are those which are collected for the first time for a certain investigation. These are original and essential raw data. In the study, the primary data was collected from interviews, surveys etc.

SECONDARY DATA- Data that has privously been gathered and analysed by another party is referred to as secondary data, which signifies that the data is already accessible. It includes journals, magazines, newspapers, books and Internet. Organisational records are the instruments are also used for data collection

RESEARCH INSTRUMENT- For doing the survey research, structured questionnaire with both open-ended and closed-ended questions was used.

SAMPLE SIZE: The well Structured questionnaire with a sample size of 110 employees at Tech Mahindra Visakhapatnam, Andhra Pradesh.
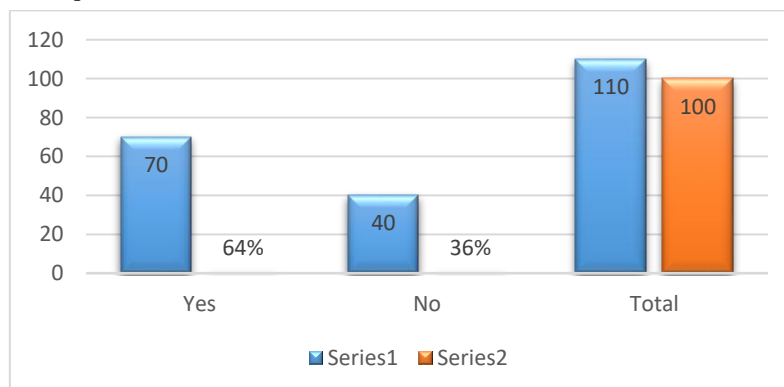
6. DATA ANALYSIS AND INTERPRETATION

Table: 5.1

1. Employees' opinion on Referring or suggesting their friends / colleagues / relations to join TECHM

Yes	**70**	**64%**
No	**40**	**36%**
Total	**110**	100

Source: Compiled from the questionnaire

Source: Table 5.1

Table 5.1 Explains that 73% of employees have their friends /colleagues / relations to join TECHM while rest of them the 36% have said that they are not suggesting tha known people to join as of the companies in the same city with the similar job profile and performance levels are paying the salaries with many additional benefits including promotions etc. **Table: 5.2**

2. Employees 'opinion to prevent negotiation from TECHM:

Change	No.	Percentage
Long leave	**50**	**9%**
Good pay package	**20**	**9%**
promotion	**10**	**27%**
Nothing	**30**	**45%**
Total	**110**	100

Source: Compiled from the questionnaire
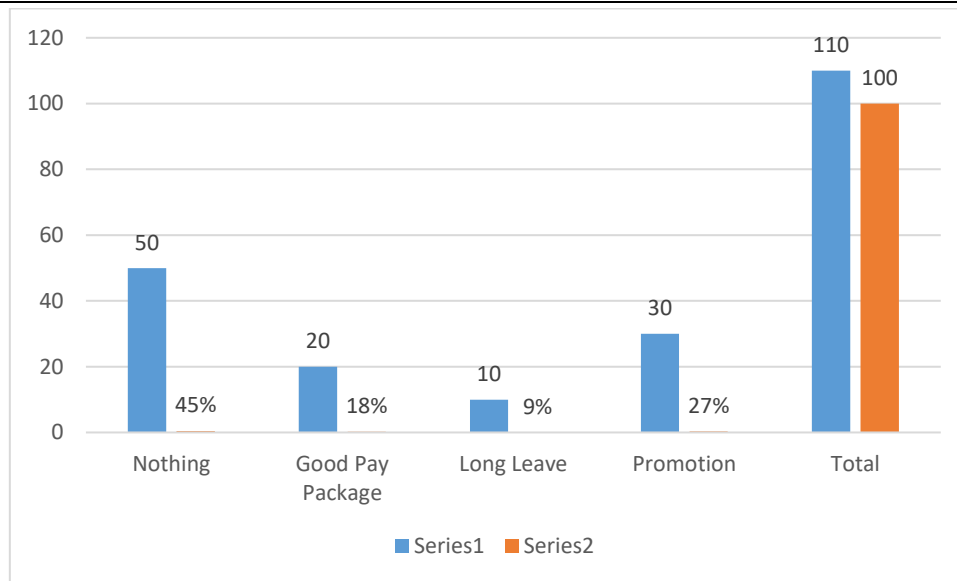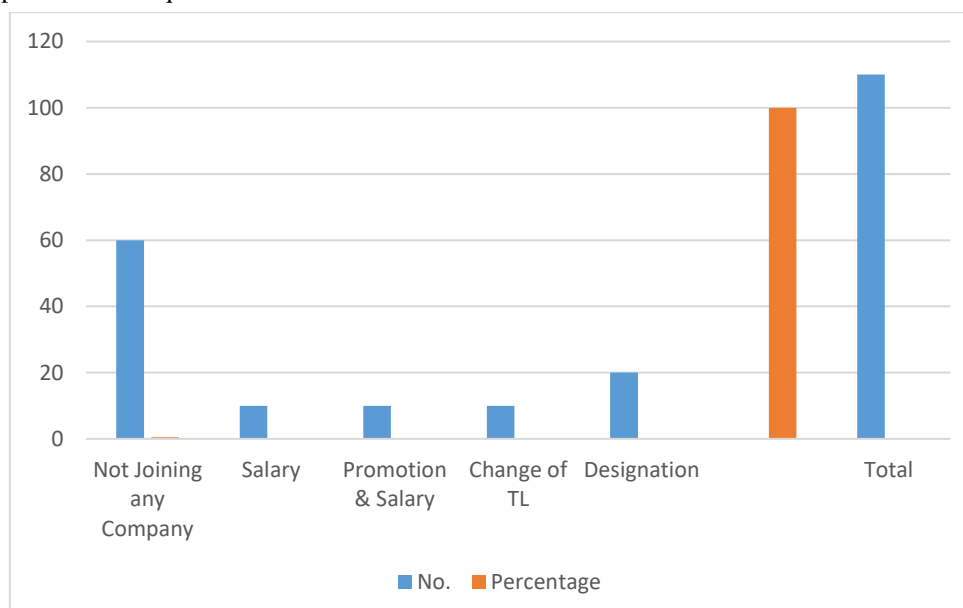
Source: Table 5.2

Table 5.2 explains that 9 % Employees said that long leave prevent negotiations while 9% said that Good pay package and rest promotion policies i.e. 27% of TECHM prevents to leave their employees.

Table: 5.3

3. Employees' opinion on Major Factor of Joining New Organization

| Factor	No.	Percentage
Not Joining any Company	60	55%
Salary	10	9%
Promotion & Salary	10	9%
Change of TL	10	9%
Designation	20	18%
Total	**110**	100

Source: Compiled from the questionnaire

Source: Table 5.3 Explains that 37% said that salary is the best way to join a new organization while 35% said that not joining any company, 9% said that promotion is basic aims of their career growth path while 9% aims are of change of TL and rest.

Table: 5.4

4. Employees' opinion on Tasks and Responsibilities of TECHM:

Did Employees content with the tasks and responsibilities assign to them?	No.	Percentage
yes	44	40%
No	66	60%
Total	**110**	100

Source: Compiled from the questionnaire
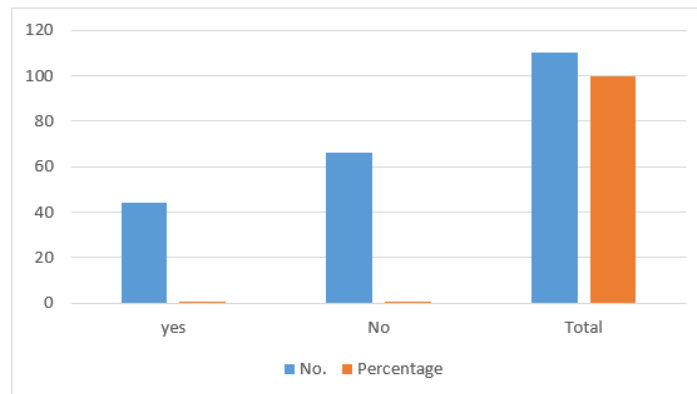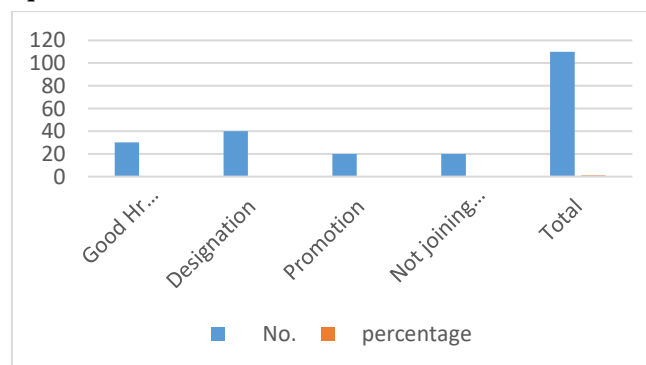

Source: Table 5. 4

Table 5. 4 Explains that 40% 'yes' said satisfied with all tasks & responsibilities and 60% said 'no' they are not satisfied with tasks and responsibilities.

Table: 5.5

5. Employees' opinion on satisfied with the training programmers:

Feedback	No.	percentage
Good HR policies	30	27%
Designation	40	36%
Promotion	20	19%
Not joining any company	20	18%
Total	110	100%

Source: Compiled from the questionnaire

Source: Table -5.5

Table 5. 5 Explains that 27% of Employees are satisfied with good HR policies and 36% satisfied with designation; 19% satisfied with promotion.

7. FINDINGS

According to the survey done in Tech Mahindra, the reasons which prompt employees to leave the company appear to be" Dissatisfaction with Payroll & Benefits" with 27% due to Personal Reasons (Relocation, health, Marriage)etc.

1. Areas of Improvement: Tech Mahindra employees think that HR policies need be improved and got 27% Employees said this.

2. Training: Around 63% employees are satisfied with the training programmes.

3. Referring to friends: About 64% employees said that they will refer this company to their family and friends.

4. Prevent negotiation : "Good pay package" seem to be the primary reason which can prevent employees from leaving.

5. Tasks and responsibilities: Around 40% employees are satisfied with tasks and responsibilities.

Reasons for dissatisfactions:

- Salary
- Promotion
- Working hours
- Long leaves

8. SUGGESTIONS

- Conduct a Salary Benchmarking Exercise: Regularly assess the compensation package against industry standards to ensure that employees are paid competitively.

- Employee Feedback on Policies: Engage employees in the process of revising HR policies. Conduct regular surveys or focus groups to get feedback on existing policies and suggest improvements.

- Personalized Development Plans: Provide employees with personalized development plans that are aligned with their career goals, offering mentorship, coaching, and on-the-job training.

- Recognition and Rewards: Beyond financial rewards, offer other forms of recognition such as employee of the month awards, public acknowledgment in team meetings, or special privileges to enhance job satisfaction.

- Align Tasks with Interests and Strengths: Regularly check if employees' tasks align with their strengths and career aspirations. Provide them with the opportunity to shift into roles or projects that excite them.

9. CONCLUSION

It is concluded that retention strategies adopted by Tech Mahindra play an important role for small and medium BPOs that has been receiving considerable attention from academicians, researchers and practicing HR managers.

- In its essence, retention comprises important elements such as the need or content, search and choice of strategies, goal-directed behavior, social comparison of rewards reinforcement, and performance-satisfaction.

- The increasing attention paid towards Retention is justified because of several reasons. Motivated employees come out with new ways of doing jobs. They are quality oriented. They are more productive. Any technology needs motivated employees to adopt it successfully. Several approaches to Retention are available.

- Early theories are too simplistic in their approach towards Retention. For example, advocates of scientific Management believe that money is the motivating factor.

- The Human Relations Movement posits that social contacts will motivate workers. Mere knowledge about the theories of Retention will not help manage their subordinates. They need to have certain techniques that help them change the behavior of employees.

- One such technique is reward. Reward, particularly money, is a motivator according to need-based and process theories of Retention. For the behavioral scientists, however, money is not important as a motivator.

- An enriched job add responsibilities. The makes the job interesting and rewarding. Job enlargement refers to adding a few more task elements horizontal task variety helps motivate job holders. Job rotation involves shifting an incumbent from one job to another.

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