

---

## A STUDY ON INFLUENCE OF MOTIVATIONAL FACTORS ON EMPLOYEE RETENTION IN AUTOMOTIVE INDUSTRY - CONCEPTUAL FRAMEWORK

Mrs. B. Kishori<sup>1</sup>, M. Kalavathi<sup>2</sup>

<sup>1</sup>Assistant professor, Department of management studies, University college of engineering (BIT campus), Anna University, Tiruchirappalli, India.

<sup>2</sup>Post Graduate Student, Department of Management Studies, University college of engineering (BIT campus), Anna University, Tiruchirappalli, India.

---

### ABSTRACT

Employees are the crucial resources for every organization and the success and failure of companies depends upon these resources. Employee Retention is a major and vital issue faced by the manufacturing industries in Chennai due to a shortage of economic growth, turnover, and skilled employment. The main objective of this study is to identify and examine what motivational factors are the most influencing an employee's decision to remain employed with the company. Employee Retention can be more effective by identifying, analyzing and criticizing employee motivational factors. i.e., researchers seek to identify how employee motivation influences employee retention within the organization. By prioritizing employee motivation and satisfaction, it can cultivate a loyal and engaged workforce, ultimately leading to increased productivity, reduced turnover, and sustained organizational success in the competitive automotive industry.

**Keywords:** Motivation, Employee Retention, Employees.

---

### 1. INTRODUCTION

In today's competitive business environment, retaining skilled employees is crucial for organizational success and sustainability. Employee retention is particularly challenging in the manufacturing sector, where turnover rates can be high and the loss of experienced personnel can significantly impact production and efficiency. The purpose of the study is to determine the critical motivational factors for employee retention within the company. This study aims to explore how motivational factors influence employee retention and to identify the specific motives and aspects that contribute to employee satisfaction and their tenure within the company.

### REVIEW OF LITERATURE

**Prianka Tewary 2022**, Skilled employees are essential assets in any organization, especially in Bangladesh's banking sector, facing challenges of economic growth and high turnover rates. To address this, banks must implement effective retention strategies, prompting this study to explore key retention drivers in Bangladeshi banks and propose a conceptual framework based on existing research. Ultimately, this research aims to provide banking management with tools to retain skilled personnel, fostering ongoing organizational growth and success

**Nuzhanth Fathima 2023**, The escalating utilization of natural resources across sectors necessitates collective human action to preserve them for future generations. Consequently, the emergence of Green HRM underscores this responsibility. With the IT sector experiencing rapid growth and attracting a youthful workforce, the onus of resource conservation largely falls on this demographic. This study centers on identifying motivational strategies for IT firms to retain employees through the adoption of Green HRM practices.

### FACTORS OF EMPLOYEE MOTIVATION

#### REWARDS

Rewards play a pivotal role in recognizing and motivating employees for their valuable contributions. These rewards come in both financial and non-financial forms, shaping a positive workplace culture and bolstering engagement and retention. Financially, employees may receive bonuses, profit – sharing, or salary increases tied to their performance. Long term incentives like stock options also come into play. On the non – financial side, recognition programs, awards, certificates, and opportunities for growth contribute to job satisfaction. These well designed rewards affirm desired behaviors, fuel exceptional performance and create a supportive work environment.

#### COMPENSATION

Compensation serves as an essential aspect of employee engagement, encouraging individuals to strive for more and directing their focus towards both work and personal development. It encompasses both financial and non-financial rewards. A compelling compensation package incorporates various elements such as pay, bonuses, and additional

benefits like extra holidays and voucher schemes. Given its significance, compensation is a paramount consideration in HR practices, serving as a tangible incentive for employees and a fundamental requirement as per regulations.

Wheelhouse (1989) emphasized the importance of payday, stating that it should be one of the happiest days of the week, with salaries delivered punctually and appropriately. Nowadays, many companies transfer salaries directly to employees' bank accounts on the last working day of the month, maintaining consistency in the process.

### TRAINING & DEVELOPMENT

Training and development refer to programs designed to enhance the skills, knowledge, and abilities of employees to improve their performance in various areas such as production processes, quality control, safety protocols, machinery operation, and teamwork. This could include technical training on specific equipment or processes, as well as soft skills development like communication, problem-solving, and leadership training. The goal is to ensure that employees have the necessary competencies to meet the company's objectives efficiently and effectively.

### WORK – LIFE BALANCE

Work-life balance refers to the company's efforts to ensure that employees can effectively manage their professional responsibilities while also maintaining a fulfilling personal life outside of work. This balance is achieved through various policies, practices, and initiatives aimed at promoting employee well-being, reducing stress, and fostering a healthy work environment.

For employees, work-life balance might involve flexible work arrangements such as telecommuting, flexible hours, or compressed workweeks, allowing them to better accommodate personal commitments and family obligations. The company may also provide resources and support for managing workload and deadlines effectively, preventing burnout and promoting mental health. Work-life balance is about creating an environment where employees can thrive both professionally and personally, leading to increased job satisfaction, productivity, and retention.

### ORGANIZATIONAL CULTURE

Organizational Culture embodies shared values, beliefs, norms, and practices shaping interactions among employees. It emphasizes quality, innovation, teamwork, and continuous improvement, fostering an environment where integrity, transparency, and respect for diversity prevail. This culture permeates company policies, communication channels, leadership styles, and the physical workspace, influencing employees' attitudes, relationships, and overall experience. By nurturing a positive and supportive culture, aims to motivate employees, enhance engagement, and align them with the company's mission. This culture also plays a vital role in talent attraction and retention, driving innovation, and ultimately contributing to success in the automotive industry

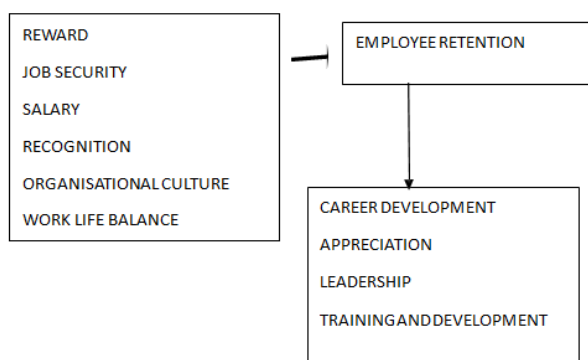
### EMPLOYEE RETENTION

Employee retention refers to the strategies and practices aimed at keeping valuable employees within an organization. It involves creating a positive work environment, providing growth opportunities, recognizing employee contributions, and ensuring job satisfaction. Retaining skilled workers contributes to overall productivity and organizational success.

## 2. OBJECTIVES

1. To identify the variables of Motivation.
2. To identify the variables of Employee Retention.
3. To measure the level of Motivation.
4. To measure the level of Employee Retention Rate.
5. To analyze the role of Motivational factors on Employee retention.

## 3. RESEARCH MODELS MOTIVATIONAL FACTORS



---

#### 4. RESEARCH METHODOLOGY

The research type of this study is descriptive in nature.

##### Research Design

A Quantitative research approach will be employed, utilizing surveys to gather data from employees. The survey questionnaire will be designed to capture employees' perceptions of motivational factors and their impact on retention.

##### Data Analysis

Statistical techniques such as regression analysis and correlation will be employed to analyze the collected data. This analysis will help identify the strength and direction of the relationship between motivational factors and employee retention.

#### 5. CONCLUSION

In conclusion, the study reveals that the importance of recognizing and addressing the diverse needs and preferences of employees to enhance their job satisfaction and commitment to the organization. By prioritizing employee motivation and satisfaction, companies can cultivate a loyal and engaged workforce, ultimately leading to increased productivity, reduced turnover, and sustained organizational success in the competitive automotive industry.

#### 6. FINDINGS

The findings of this study will provide valuable insights and actionable recommendations to enhance employee retention strategies, thereby fostering sustained organizational growth, productivity, and success in the automotive industry. By prioritizing employee motivation and satisfaction, companies can secure their competitive edge and achieve long-term sustainability in today's dynamic business environment.

#### 7. REFERENCES

- [1] Sumedha (2020), "Influence of Motivational factors on Employee Retention among the Sales Managers in the Private Sector Insurance Companies in Chennai City". Volume9, No.1, pp 64-78.
- [2] University of Gothenburg (2017), Should I Stay or Should I go? A single case study examining employee motivational factors impact on Employee Retention.
- [3] Philip Hickey (2017), "The importance of motivation for employee retention: A study on Hospitality sector at London".
- [4] Janka Dugovicova (2019), "Impact of Employee Motivation on Employee Retention Rates".
- [5] Nuzhath Fathima (2023), "A STUDY ON MOTIVATING FACTORS OF EMPLOYEE RETENTION IN IT INDUSTRY USING GREEN HRM PRACTICES". Volume XXVII, No:2,2023.
- [6] Prianka Tewary (2022), "Influencing Motivational Factors of Bank Employees Retention: A Conceptual Framework". Volume 4, pp:525-530