"A STUDY OF ATTRITION PROBLEM IN SELECT LARGE SCALE AUTOMOBILE INDUSTRIES IN AND AROUND PUNE 2008-2012"

A Thesis Submitted To

TILAK MAHARASHTRA VIDYAPEETH, PUNE

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In

Management

Submitted By

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Under The Guidance Of

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JULY 2O14

CERTIFICATE BY GUIDE

This is to certify that the thesis entitled **"A Study of Attrition Problem in Select Large Scale Automobile industries in and around Pune 2008 - 2012",**which is being submitted herewith for the award of the Degree of Master of Philosophy (Ph. D) in Management to the Tilak Maharashtra Vidyapeeth, Pune is the result of original research work completed by Mrs. MEENA SUNILDUTT SHARMA under my supervision and guidance. Such material as has been obtained from other sources by her has been duly acknowledged in the dissertation. To the best of my knowledge and belief the work incorporated in this thesis has not formed the basis for the award of any degree, or similar title, of this, or any other University or examination body.

<div align="right">

Research Guide

Dr.Rashmi Hebalkar

</div>

PLACE: Pune

DATE:

DECLARATION BY THE CANDIDATE

I Mrs. Meena Sunildutt Sharma declare on oath that the references and literature which are quoted in my dissertation entitled **"A Study of Attrition Problem in Select Large Scale Automobile industries in and around Pune 2008 - 2012"** are from original sources and are acknowledged at the appropriate places in the dissertation. I declare further that I have not used this information for any purpose other than my research.

Place : Pune ,India.

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ACKNOWLEDGEMENTS

My thanks are also due to my husband Mr. Sunil who has remained the back bone of inspiration and support right from selecting the area of study to its completion. My son Akshay and daughter Ms Alfee for excusing me from household responsibilities. Thanks are also due to Ashram Abhiman Waykule for supporting and helping me. I am also grateful to all who have contributed directly or indirectly in the completion of this research work.

Finally I thank God through whom all things have become possible.

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ABSTRACT

Automobile industry plays a pivotal role in the contribution of the national income. Today it is not easy for automobile companies to survive in this competitive business world without a competitive advantage. It is the employees who play a key role in the success of an organization. Managing employees is not an easy task for a Human resource manager.

Attrition is a very sensitive issue in today's world. There are many causes of employee attrition at managerial level. Some causes may be internal and some may be external. If the right decision is not taken at the right time a company may face high employee attrition. It can be seen from the Government reports and review of literature that employee attrition is one of the major problems faced by the automobile industries. Hence knowing the factors responsible for employee attrition is very important for the survival, success and growth of an organization. The management has to identify the problems associated with the employees which will help them in retaining a competitive work force.

This study is conducted to explore and analyses the various issues related to attrition problem at top level, middle level and lower level managers in the passenger car manufacturing automobile industries located in Pune district.

Key words: Competitive advantage, Human resource, Automobile industries.

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LIST OF ABBREVIATIONS

Sr. No	Abbreviations	
1	ASSOCHEM	The association chambers of commerce and industry of India
2	CAGR	Compound Average Growth Rate
3	EATC	The Engineering and Automotive Training Council
4	ICRA	India's leading credit rating agencies
5	IMaCS	ICRA Management Consulting Services Limited
6	IWDP	Industry workforce development plan 2011-12
7	MCCIA	Mahratta Chamber of Commerce, Industries and Agriculture
8	OEM	Original Equipment Manufacturer
9	OICA	The international Organization for Motor Vehicle Manufacturers
10	SUV	Small Utility Vehicle
11	WA	Western Australia

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Chapter 1

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CHAPTER I

INTRODUCTION

This research is conducted to identify, understand and get deeper knowledge about the current situation of employee attrition in automobile industry in and around Pune. In this chapter, the researcher has given the introduction of the topic, meaning and definition of the terms attrition and large scale industry, factors responsible for the attrition, cost associated with attrition, significance of the study ,potential application and implication and conceptual frame work of the study along with the chapter scheme.

1.1. Introduction

Human resource is a very important and valuable asset of an organization. However most of the organizations consider it as a cost center. Employees play a pivotal role in an organization because all the resources are wasted if they are not properly and efficiently utilized by the employees. It is the employee who can create a history by making an organization or by breaking an organization.

Today in a highly competitive and dynamic business world the success of an organization depends on the ability and stability of competitive human resource. Maintaining and retaining existing employees is the most challenging issue for any organization. When employees at the managerial level leave an organization, it leads to serious problems in the organization. Attrition basically rises due to many factors like dissatisfaction with the company, insufficient salary, poor working environment, lack of motivation, poor relations with colleagues and boss, unhappiness of an employee and many other factors. The attrition level of employees indicates that something is wrong with the health and climate of an organization in terms of wages, working conditions, industrial relation, welfare facilities provided by the employer to the employees etc.

Employee attrition is a challenging issue in the business world. It has a significant impact on the competitive strength of a company. As per the Report on Absenteeism, Labour turnover, Employment and labour cost, prepared by the Ministry of Labour

and Employment; Labour Bureau, Employee attrition in the automobile sector in India is 40 percent[1]. Employee attrition creates chronic problems in an organization. The impact of employee attrition has been realized by industrialists during the past couple of years.

Higher rate of attrition indicates employee unrest and lack of stability in the labour force which is not good for competitiveness, growth and development of an organization. The organization faces uncertain cost, disturbance in production and work atmosphere, cost of recruitment, selection, training and development and so on. These uncertainties raise a question regarding the reasons for attrition in automobile industries.

1.2. Meaning and definitions

1.2.1. Attrition:

Turnover and attrition are business and Human resource terms, there are several types of turnover such as sales turnover, production turnover but attrition usually can be described as a reduction in the work force.

Employee turnover or employee attrition is defined as the rate of change in the working personnel of an organization during a specified period".[2]

Labour turnover may be defined as "the rate of change in working staff of a concern during a definite period" Labour turnover may be expressed in the form of percentage of workers left during a specific period like one year out of the total labour force employed[3].

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1. *Report on Absenteeism, Labour turnover, Employment and labour cost, Annual survey of Industries 2009-10 ,Volume II, Chapter III p22. prepared by Ministry of Labour and Employment ,Labour Bureau.*

2. *Prasad L.M , Human Resource Management, Sultan Chand and Sons Educational Publications, New Delhi ,2011 ,p563)*

3. *Seetharaman S., Venkateswara Prasad B , Human ResourceManagement, Scitech Publications (India) Private Limited, July 2007, p16.1.*

'Employee attrition generally refers to the loss of employee through a number of circumstances, such as resignation and retirement. The cause of attrition may be either voluntary or involuntary'-wise greek.com.

Labour turnover has been defined as "the rate of change in the working staff of a concern during a definite period".[4]

The Webster Dictionary terms employee attrition as "reduction in number usually as a result of resignations, retirement or death".

For this research work a study has been conducted to find out the reason behind resignation by managers in car manufacturing automobile industries in Pune district.

1.2.2. Large Scale industry:

According to the Government of India, manufacturing enterprises are defined as the enterprises engaged in the manufacturing or production of goods pertaining to any industry specified in the First schedule to the industries (development and regulation act 1951) the manufacturing enterprises are defined in terms of investment in plant and machinery.

Small enterprises include those manufacturing companies where the investment in plant and machinery is more than twenty five lakh rupees but does not exceed five crore rupees .

Medium enterprises include those manufacturing companies in which the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees[5]

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4. *Memoria C.B., Gankar S.V ,Personal Management ,Text and cases ,Himalaya publishing House,Twentyninth Edition 2009, Mumbai 400004, p 272*
5. *dcmsme.gov.in/faq/faq.htm*

Large Scale enterprises are the manufacturing companies where the investment in plant and machinery is more than ten crore rupees

1.2.3. Automobile Industry

It includes manufacturing passenger cars; light, medium and heavy commercial vehicles such as jeeps, scooters, motor cycles, three wheelers, tractors etc.[6]

Encyclopedia meaning - Automotive Industry include all those companies and activities involved in the manufacture of motor vehicle ,including most components ,such as engine and bodies, but excluding batteries and fuel. The industry's principle products are passenger automobiles and light trucks, including pickups, vans, and sport utility vehicles.

1.2.4. Passenger cars :

According to Organization of Motor Vehicle Manufacturers (OICA) Passenger Cars are motor vehicles with at least four wheels, used for transport of passengers, and comprising no more than eight seats in addition to the driver's seat [7].

1.3. Factors responsible for Attrition:

There are various factors responsible for employee attrition. In order to control high rate of labour turnover, it is important to know and understand the causes that lead a person to leave an organization .The management should try to keep the employee turnover rate as low as possible because it involves huge costs and it's a big loss for an organization.

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6. *BUSINESS.GOV.IN(http://business.gov.in/Industry_services/automobile_industry.php)*

7. *The international Organization for Motor Vehicle Manufacturers was founded in Paris in 1919.It is known as 'Organisation Interntaionale des Constructeurs d'Automobiles" (OICA)*

There are various factors responsible for attrition which may vary from person to person such as:

- **Misbehavior by supervisor**: According to a survey conducted by ASSOCHEM (The associated chambers of commerce and industry of India- a major industrial association) on two thousand five hundred employees to find out the reason for leaving the job, misbehavior by supervisor or boss was found the main reason for leaving the job. The respondents also said that a good industrial atmosphere is more important than salary.

- **Faulty human resource policies and practices**: Faulty human resource policies and practices particularly related to salary, benefits, transfer ,promotion, lack of training and development, poor leadership and supervision, poor working conditions, unrealistic job targets, raising high expectation form employees are some of the faulty human resource policies which result in employee attrition.

- **Comparison and equity consideration about salary and other benefits**: Many a time employees compare their salary and other benefits with their friends, peers, and relatives, and when they find that others are getting better returns as compared to them they start searching for new jobs in other companies and it increases employee attrition. There are various situations which also cause attrition.

- **The mental Unrest**: The mental unrest not only hampers production but also has adverse impact on the health of an employee. When employees feel doubts and lack of job security it reduces their morale and they feel de motivated, depressed and discouraged .The adverse consequences of low morale, depression and demotivation are high rates of absenteeism and labour turnover.

- **Dissatisfaction with job**: employees who are not satisfied in their career in the present organization may try to search for a suitable job in other organizations. Unsatisfactory salary and benefits, poor organizational culture, interpersonal relationship, social, personal and situational reasons are some of the causes of employee attrition.

- **Lack of Career development and job satisfaction:** Sometimes lack of career development and job satisfaction are the main factors for attrition of employees. Career development by changing job from one company to another company is also a reason for employee attrition.

- **Job stress**: Job stress can cause many problems to employees of an organization. It may be due to internal problems, external problems or personal problems. It can be seen that alcoholism and drug abuse are the outcome of job stress. It also affects the health of an employee. Absenteeism and employee attrition increase due to high stress.

- **Harassment by seniors:** It is a common observation that harassment by seniors leads to mental disturbance, loss of sleep, depression and even suicide among juniors. All these factors demotivate the employees and can have a demoralizing effect of tension and high stress level which again is one of the reasons of employee attrition.

- **Lack of recognition:** In spite of getting handsome salary, when an employee achieves results beyond the expectation but it is not recognized by the management and he is not appreciated or rewarded for it, this may lead to disappointment and he may think of leaving the current organization and seek employment elsewhere.

Some causes of attrition are avoidable which can be controlled and some are unavoidable which are uncontrollable. The avoidable causes are due to the fault of management. Employees may leave because of the following avoidable causes:

Avoidable causes.

There are many avoidable causes of employee attrition such as lack of sufficient salary, poor relationship with fellow colleagues or boss, long working hours, continuous night shifts, lack of job security, poor working conditions etc. These causes can be controlled by the employer up to a certain extent.

Unavoidable causes

Some causes of labour turnover are unavoidable. The unavoidable causes are not due to the fault of the management but are due to other factors which are not under the

control of the management. Among the unavoidable causes marriage in case of young employees, dislocation due to some family problems, pregnancy in case of female employees, continuous poor health , disability due to accident, mismatch with job ,career development , starting own business, housing or transport problem etc. lead to employee attrition.[8]

1.4. Cost associated with attrition

Globalization has converted the whole world into one market. Due to the liberalization, privatization and globalization the scale of operation and production has increased tremendously. Employees have gained a very important place in the manufacturing sector. In developing countries like India the importance of employees cannot be neglected. The cost associated with attrition is very high which includes:

- When an employee at the managerial level leaves an organization the recruitment costs increases because it involves time and efforts for interviewing suitable candidates for replacement.
- Training cost increases as it involves the time of the supervisor, personal department and cost of the trainer.
- Loss of production in the interval between leaving of an existing employee and replacement by the new.
- The pay of learner is in excess of his productivity.
- Accident rate of new employee is generally higher as the new employee may not be as experienced as compared to the employee who has left an organization.
- Machineries and other equipments are not fully utilized during the recruitment process and the training period.
- Wastage and accident rates are generally higher when a new employee is appointed.

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8. *Seetharaman S., Venkateswara Prasad B,Human Resource Managenment,Scitech Publications(India) Pvt Ltd. , July2007, P16.2-16.3*

- Additional wages in the form of overtime pay have to be paid because of high attrition of employees. It also creates problems in supply of goods at pre-determined delivery dates.
- There may be low employee morale, dissatisfaction and team spirit due to labour instability.[9]

Hence it is very important to study the factors responsible for the attrition rate in automobile industry in Pune district.

1.5. Effects of Attrition:

An organization has to bear the following losses due to high employee attrition:-
- Shortage of Talent: There is acute shortage of talent which is one of the important reasons for attrition among employees at the managerial level. Human resource professionals in automobile companies are expected to play a crucial role in lowering the attrition rate.

- Low Morale and motivation: Morale is an important factor of organizational climate. It is an important vital ingredient of organizational success because it reflects the attitudes and sentiments of employees towards the organizations, its objectives and its policies. Moral is the total satisfaction a person derives from his job, his work group, his boss, his organization and his environment. Employees with high morale will like his job and cooperate fully with the management in achieve the organizational objectives. At the same time low morale indicates the presence of mental unrest[10].

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9. Seetharaman S., Venkateswara Prasad B ,Human Resource Managenment, Scitech Publications(India) Pvt Ltd. , July2007, P16
10. Parthasarthy P, Principles of Management, Vrinda Publication Pvt Ltd, N.Delhi, 2007, P443

- Prestige of an organization: Employee attrition has an adverse impact on the prestige of an organization in the human resource market because excess turnover may create a bad image of the organization and it may find difficulty in attracting candidates for job.

- Poor output in terms of quality and quantity: High attrition disturbs the production schedule, the quality and quantity of output because in most of the large scale industries the production is mass production and production operation continue one by one. Poor work environment due to any cause leads to poor output in terms of quality and quantity. There will be rise in leave, absenteeism, and turnover of employees will be high.[11]

1.6. Significance of the study:

Pune has the seventh largest per capita income in the country. The automotive sector is prominent in Pune. Today, Pune has a diverse industrial population .It is India's one of the most important automobile hub. It is also a preferred destination for international automobile manufacturing companies. Today some domestic and international auto manufacturing companies are located in this area. The Automobile industry in Pune and Pimpri Chinchwad area is a high generator of employment as well as contributes to the national income and Indian economy[12].

Attrition is gaining a lot of importance in today's competitive world. When an employee at the managerial level leaves an organization he carries along with him the tacit knowledge, skill and secrets of the company which is one of the sources of competitive advantage. . It is also an expensive affair for a company. If a correct solution is not identified then a company may face a threat in the industry. Avoiding this issue can lead to serious problems for it.

Automobile companies are facing the problem of attrition which have high costs and at the same time create many problems. Reducing employee attrition is important for

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11. *Bedi R.V. , and Hundekar S.G, International Human Resource Management, Vrinda Publication Pvt.Ltd,New Delhi ,2009,P331-332*

12. *En.wikipedia.org/wiki/pune*

creating a competitive advantage and success for an organization. Hence finding out the root causes of attrition is very important. This study would also provide information that will be useful to the organizations, psychologists, researchers and management practitioners.

1.7. Potential application and implication

I. The outcome of this research is definitely useful and productive.

1) It will give an idea about the various loopholes in the management of human resource as well as problems faced by the employees of an organization in relation to attrition.
2) It will also help to identify the various corrective methods that the company can use to reduce attrition in the automobile industry in Pune.
3) This study will also help to determine as to what kind of plans and policies should be prepared to reduce attrition.

II.

1) The findings of this research will help automobile companies to hold top performers and to have documented evidence of the reasons as to why employees switch from one company to another.
2) The finding will also help automobile companies to improve their retention process of managers .It will help them to stay for a longer period in one automobile company being a part of it.
3) Hopefully the suggestions could serve as a basic referral guide for the automobile industry in Pune to improve their retention rate at all levels.

Besides the above significance, it will contribute to the knowledge of the researcher in this field and also act as a guide for other researchers to conduct further research in this field.

1.8. Theoretical background and its relevance with attrition

I. Abraham Harold Maslow's Need hierarchy Theory:

According to Maslow's theory people work to satisfy their needs. According to him an individual is motivated by a series of needs. He explains that there is a hierarchy of five needs.

1. The first need is the basic need which includes food, clothing and shelter. These needs are very important for the survival of life and are universal and are applicable to everyone.

2. Safety and security need comes next in the hierarchy. We all are always concerned about the security as life is full of uncertainties.

3. The next motivator is social need i.e. need for love, concern and care. We all are social animals and cannot live in isolation, and always want to be loved by others.

4. The next is Esteem need and the fifth need is self-actualization.

5. The upper most is self-actualization. It represents the individual's concern for feeling important and respected by others.

Hence according to Maslow, psychological needs, safety needs, social needs, esteem needs and self-actualizing needs are the hierarchy of needs. A satisfied need is no longer a motivator. A person is motivated for the next need after satisfying the previous one. Only the next level need will work as a motivator. It also explains when and how people's needs and expectations are revised upward.

Relevance with attrition: For young employees the bottom two needs are important for employees but for middle and higher age employees the upper two needs motivate them and when these are not fulfilled the effect is attrition.

II. McClelland's Achievement theory:

A psychologist of Harvard, McClelland is closely associated with achievement motive theory. According to his theory individuals are motivated by three needs:

1. Need for power: Employees with high need for power derive satisfaction from being in positions of influence and control and they try to secure high positions .It is a motivator for them.

2. Need for affiliation: According to him a person who is not getting affiliation or social contact may feel the pain of isolation and may indulge in destructive activities. Hence a sense of affiliation is essential for every individual to become a high performer.

3. Need for achievement: Employees with high need for achievement derive satisfaction from achieving their goals. They desire to do their best performance and achieve the targets beyond expectations so that they can be successful in a competitive situation.

Every employee possesses these needs in varying degrees. Management should gauge the proportion of these needs in the managers and then formulate motivational schemes effectively rather just formulating them randomly[13].

Relevance with attrition: Employees are motivated by need for achievement, power and affiliation and if these are not fulfilled they shift to other organizations.

III. Frederick Herzberg's Hygiene theory:

Herzberg suggests that two distinct sets of factors affect motivation. That is improving hygiene and provides motivators.

According to him factors that motivate employees and the factors that increase dissatisfaction among employees are as follows:

1. Motivators: Achievement, recognition, responsibility, advancement and growth are the factors related to job satisfaction.

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13. *Parthsarthy P ,Principles of Management, Vrinda Publication Pvt. Limited 2007, p426-427.*

2. Hygiene: On the other hand when employees are dissatisfied   with factors, such as company policy, administration, supervision, salary, work condition security status and interpersonal relations these are the factors that lead to dissatisfaction among employees.

According to Herzberg , all these factors ,both motivators and hygiene have close relation with human relations in an organization.

Relevance with attrition: When employees don't get recognition for achievement, advancement or growth they are dissatisfied .It leads to employee attrition.

IV. Clay Alderfer's ERG Theory:

According to Alderfer's ERG Theory there are three primary categories of human needs

a. Existence: The basic psychological needs (hunger and thirst) and protection form physical danger.

b. Relatedness: Social and affiliation needs and the need for respect and positive regards from others.

c. Growth: The need to develop and realize ones potential.

According to ERG theory, employees work for existence, relatedness and growth. He argues that satisfied lower level needs make an individual search for higher level needs. when these needs are not satisfied employees get frustration. , frustration at one level will push an individual down to lower level needs. Hence these three needs are very important for motivation.

Relevance with attrition: As these needs are not satisfied the employee tends to leave the current organization and employee attrition increases.

V. Vroom's Expectancy theory:

According to this theory motivation is the product of three variables they are as follows:

1. Valence (an individual's preference for an outcome): Valence is an individual's preference for an outcome. Positive valance include being respected by friends, co-workers, having job security, good salary and negative valence are things to be avoided, such as being laid off, being passed over for promotion and discharged for drunken behaviour at work.

2. Expectancy (his belief that his efforts will lead to task completion). Expectancy means a particular level of efforts will be followed by a particular level of performance

3. Instrumentality (his conviction that his performance will result in the desired outcome). This is a perception by an individual that first level outcomes are associated with second level outcomes.

Employee is motivated by valence (an individual's preference for an outcome), expectancy (his belief that his efforts will lead to task completion) and instrumentality (his conviction that his performance will result in the desired outcome).When employees are demotivated to do work it results in attrition[14].

Relevance of theories with attrition: In a nutshell, different people have different orientation based on their personalities, priorities towards life, their capabilities, ambitions etc. By and large it can be said that employees shift the job for more pay packet, more security, growth and opportunities etc. It would be interesting to explore the interrelation between these theories and the issues of attrition and the efforts as the area for further study.

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14. *Aswathappa K. Organizational Behaviour, Himalaya Publication house, 2010,Mumbai 400004, p 249-277*

1.9.Chapter scheme of the Thesis:

Chapter -1: Introduction: It includes introduction to the topic, meaning, concept and definition of attrition and large scale automobile industries, factors responsible for attrition, effects of attrition, cost associated with attrition ,significance of study , potential application and implication, theoretical background and its relevance with attrition and conclusion .

Chapter-2: Development of Automobile Industry in India and in Pune: A description about the Automobile industry in India and in Pune, evolution of Indian automobile industry is explained in this chapter. An overview of Indian automobile sector, production, performance, exports and about the automobile industries selected for this study is also described.

Chapter-3: Review of Literature: The main idea of this chapter is to focus on the review of literature from books, research journals, thesis, internet, Government reports, news papers, speeches and websites of the selected companies.

Chapter-4: Research Methodology: The aim of this chapter is to provide information about research methodology which is used for this study. The aim, objectives of the study, statement of hypothesis, assumptions, scope, research design, research method, and selection of samples, collection of primary and secondary data, tools for analysis and limitations of the study are discussed in detail.

Chapter-5: Data Analysis and interpretation: This chapter gives an idea of data analysis and interpretation of collected data from pilot study, Main Survey, Interviews During Survey and post analysis. Various tables, charts, diagrams have been used to display the responses .It also focuses on testing of hypothesis and fulfilling of objectives.

Chapter-6: Findings and Recommendation: This chapter aims at giving details of data, discusses the key findings from research and highlights the main issues which are present in the automobile industry in Pune. It focuses on suggestions, provides suitable recommendations and suggests topics for further study.

1.10.   Conclusion

This chapter dealt with the introduction, meaning, definition and significance of employee attrition. Employee attrition is a challenging issue in the business world and a matter of discussion. Hence it is very important to find out the causes or factors responsible for attrition .After knowing the significance of the study it becomes essential to know about the history and current position of the automobile industry in India as well as in Pune .Hence it is explained in the next chapter.

CHAPTER -2

<u>AUTOMOBILE INDUSTRY IN INDIA AND IN MAHARASHTRA</u>

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CHAPTER 2

AUTOMOBILE INDUSTRY IN INDIA AND IN PUNE

2.1. Introduction:

After knowing the significance of the study it becomes essential to know about the history and current position of the automobile industry in India. The background of industrial development and the current scenario of the automobile industry with special reference to the automobile industries in India and in Pune is described in this chapter.

The automobile industry plays a pivotal role in the growth and development of India. It is called as the "Locomotive of growth". India enjoys a competitive cost advantage in manufacturing automobile vehicles. The cost of manufacturing vehicles in Indian is less as compared to the cost of manufacturing automobile vehicles in foreign countries. [1] It has shown great achievements in terms of introduction of new technology, development, spread, flexibility and has changed the business scenario. Today the Indian automobile industry is fulfilling the demand of the Indian as well as consumers in other countries. The Automobile industry is showing is not only meeting the growing demands of the Indian market but also making its presence in the international market rapidly.

2.2. Evolution of the Indian Automobile Industry

The presence of the automobile industry in India can be traced in the 1940s but the actual growth and expansion of the automobile industry started in 1970. There were only six automobile manufacturers in India. They were Telco, Mahindra and Mahindra, Ashok Leyland, Hindustan motors, Bajaj Auto and Premier Automobiles. There were only two companies involved in manufacturing passenger cars. They were Hindustan Motors and Fiat India Limited. Between 1970 and 1984 cars were mostly purchased by rich people and considered as a prestigious product.

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1. *Government of India Ministry of Commerce & Industry Department of Industrial Policy & Promotion (Manufacturing Policy Section) press note no. 2 (2011 series) Subject: National Manufacturing Policy.p5*

- In the year 1985 Maruti Udyog started manufacturing passenger cars . Japanese manufacturers also started manufacturing two wheelers and light commercial vehicles in India. Economic liberalization started in 1992 after the introduction of the new industrial policy. Before the introduction of the new industrial policy manufacturing of cars were licensed but due to economic liberalization the manufacturing of passenger cars were delicensed in the year 1993. It has accelerated the growth and development of the automobile sector. Many international automobile manufacturing companies entered into the Indian market between 1995 and 2002[2]. There were many factors responsible for the speedy growth of the Indian automobile sector such as –
    - Introduction of New Industrial Policy
    - Introduction of the Latest technology to meet competitive pressure
    - Introduction of 100% Foreign Direct Investment
    - Availability of World Class facilities for testing
    - Introduction of environmental and safety measures.
    - Landmark policy changes like quantitative restriction
    - Vehicles manufactured by the Indian auto manufacturers were introduced in the Indian market and started exporting vehicles to other countries .
    - Alignment of Government policies with the requirements of the Indian industries for their development and growth and to strengthen the Indian economy.

In 2003, Core group on Automotive Research and Development was set up to identify priority areas for automotive research and development in India.

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2. *Draft Automotive Mission Plan 2006-2016, Documentation of Inputs for ten year Mission Plan for Development of the Indian Automotive Industry into a Global Hub, Ministry of Heavy Industries and Public Enterprises Government of India,p17.*

AUTOMOBILE INDUSTRY IN INDIA

HIMACHAL PRADESH
International Cars & Motors Ltd. (Plant 01)
TVS Motor Co. Ltd. (Plant 03)

UTTARAKHAND
Atul Auto Ltd. (Plant 03)
Bajaj Auto Ltd. (Plant 04)
Mahindra and Mahindra Ltd. (Plant 05)
Tata Motors Ltd. (Plant 05)

PUNJAB
Swaraj Mazda Ltd. (Plant 01)

RAJASTHAN
Ashok Leyland Ltd. (Plant 03)

GUJARAT
Atul Auto Ltd. (Plant 01,02)
Indus Elect-Trans (Plant 01)
General Motors India Pvt. Ltd. (Plant 01)

MAHARASHTRA
Ashok Leyland Ltd. (Plant 05)
Bajaj Auto Ltd. (Plant 01,02,03)
Fiat India Automobiles Ltd. (Plant 01)
Force Motors Ltd. (Plant 01)
Mahindra & Mahindra Ltd. (Plant 01, 02,04)
Mahindra Renault Pvt. Ltd. (Plant 01)
Mercedes-Benz India Pvt. Ltd. (Plant 01)
Piaggio Vehicles Pvt. Ltd. (Plant 01)
Premier Ltd. (Plant 01)
SkodaAuto India Pvt. Ltd.
Tata Motors Ltd. (Plant 02,03)

KARNATAKA
Toyota Kirloskar Motor Pvt. Ltd. (Plant 01)
TVS Motor Co. Ltd. (Plant 02)
Volvo India Pvt. Ltd. (Plant 01)

ANDHRA PRADESH
Mahindra & Mahindra Ltd. (Plant 03)

HARYANA
Hero Honda Motors Ltd. (Plant 01,02)
Honda Motorcycle & Scooter India Pvt. Ltd. (Plant 01)
Maruti Suzuki India Ltd. (Plant 01,02,03,04)
Suzuki Motorcycle India Pvt. Ltd. (Plant 01)
Yamaha Motor India Pvt. Ltd. (Plant 02)

UTTAR PRADESH
Honda Siel Cars India Ltd. (Plant 01)
LML Limited (Plant 01)
Scooters India Ltd. (Plant 01)
Tata Motors Ltd. (Plant 04)
Yamaha Motor India Pvt. Ltd. (Plant 01)

JHARKHAND
Tata Motors Ltd. (Plant 01)

WEST BENGAL
Hindustan Motors Ltd. (Plant 01)

MADHYA PRADESH
Eicher Motors Ltd. (Plant 01)
Force Motors Ltd. (Plant 02)
Hindustan Motors Ltd. (Plant 03)
Kinetic Motor Co. Ltd. (Plant 01)

TAMIL NADU
Ashok Leyland Ltd. (Plant 01,02,04)
BMW India Pvt. Ltd. (Plant 01)
Ford India Pvt. Ltd. (Plant 01)
Hindustan Motors Ltd. (Plant 02)
Hyundai Motor India Ltd. (Plant 01,02)
Royal Enfield Motorcycles Ltd. (Plant 01)
Tatra Vectra Motors Ltd. (Plant 01)
TVS Motor Co. Ltd. (Plant 01, 04)

LEGEND
Domestic Players
Foreign Players

Source: Society of Indian Automobile Manufacturer (SIAM) Report

Table 2.1

AUTOMOBILE INDUSTRY IN INDIA –A STATISTICAL PROFILE

AUTOMOBILE INDUSTRY IN INDIA – A STATISTICAL PROFILE

		2009-10			2010-11
Production	(In Nos)	14,057,064	Production	(In Nos)	17,916,035
Domestic Sales	(In Nos)	12,295,397	Domestic Sales	(In Nos)	15,513,156
Exports	(In Nos)	1,804,426	Exports	(In Nos)	2,339,333
Gross Turnover	(Rs.) in Million	2,034,916	Gross Turnover	(Rs.) In Million	2,694,810
R & D Expenditure	(Rs.)In Million	29,599	R & D Expenditure	(Rs.) In Million	35,551
EMPLOYMENT: (IN MILLION)			**EMPLOYMENT: (IN MILLION)**		
Direct		0.17	Direct		0.20
Indirect		15.00	Indirect		15.00
INSTALLED CAPACITY (IN MILION)			**INSTALLED CAPACITY (IN MILION)**		
a) Four Wheelers		4.61	a) Four Wheelers		5.78
b) Two &Three Wheelers		15.93	b) Two & Three Wheelers		17.88
c) Engines		0.51	c) Engines (In Million)		0.61

GROSS TURNOVER OF THE AUTOMOBILE MANUFACTURERS IN INDIA (IN USD MILLION)

	2006-07	2007-08	2008-09	2009-10	2010-11
	30,476	36,612	33,250	43,296	58,583
(USD Conversion Rate)	45	40	46	47	46

Source: SIAM, 2009-11 Statistical Profile

The above table shows that the turnover, production and exports are increasing every year   in the automobile sector. The auto sector is also a major employment generator in India as well as a contributor to the National Gross Domestic Product.

2.3. **An overview of the Indian Automobile sector**

The automobile industry plays a key role in the rapid economic and industrial development of the Indian economy. It is one of the fastest growing and sunrise sector in India. In fact in the last decade, the production, sales in domestic market and exports have increased tremendously which can be seen from the above mentioned figures.

According to the Automotive Mission Plan 2006-2016, Report of Ministry of Heavy Industry and Public enterprises, Government of India, India's passenger car and commercial vehicle manufacturing industry is the sixth largest in the world which has produced more than 3.9 million units in 2011.The sale of passenger cars and Utility vehicles have increased at 12%, commercial vehicles have increased at 4.4% and two wheeler sales have gone to 11% over the last ten years[3].

The contribution of the Automobile industry is explained as follows –

- India has now become Asia's third largest exporter of passenger cars.
- According to the figures released by the Society of Indian Automobile Manufacturers for the financial year 2011-2012, the car sales crossed 20 lakh (2 million) units for the first time ever.
- The automobile industry in India provides direct and indirect employment to 15 million people.
- The contribution of the automobile Manufacturing GDP and the excise duty was 22% and 21% respectively.
- Today India is the largest manufacturer of tractors ,the second largest manufacturer of two wheelers and the fifth largest manufacturer of commercial vehicles and is emerging as a global automotive hub [4]
- More than 3.7million automotive vehicles were produced in India in 2010 making the country the second (after China) fastest growing Automobile market in that year. According to the Society of Indian Automobile Manufacturers, the annual vehicle sales are projected to increase to 4 million by 2015.

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3. *Automotive Mission Plan 2006-2016, Report of Ministry of Heavy Industry and Public enterprises ,Government of India .P 18*
4. *Report of the Working Group on Automotive Sector for the 12th Five Year Plan (2012-2017) p2-13*

2.4. Passenger Car Manufacturing Industry in India

Indian automobile Industry has emerged as Asia's third largest exporter of passenger cars in 2010 after Japan and South Korea.

The majority of the passenger manufacturing industry is located around three zones in the north, south and west. The southern cluster of automobile industry is the biggest consisting of Chennai accounting for 35% of the revenue share. The western hub near Mumbai and Pune contributes to 33% of the market and the remaining 32% is contributed by the Northern Cluster. Companies like Tata Motors, General Motors, Mahindra and Mahindra, Force Motors, Premier Automobile, Mercedes Benz, Volkswagen and Jaguar cars are situated in Pune [5].This study is carried out in most of the passenger car manufacturing automobile industries situated in Pune district.

2.5. Gross turnover of Automobile Manufacturers in India

According to the figures issued by Society of Indian Automobile Manufacturer (SIAM) 2013 Statistical Profile which is represented in the table 2.2 shows that the gross turnover for automobile manufacturers in India is increasing every year. The turnover in 2006-07 was 30,476 USD million which increased to 58,583 USD million in the year 2010-11.It shows that the contribution of Indian Automobile industry in Indian GDP is increasing every year.

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5. *http://en.wikipedia.oeg/wiki/Automotive_industry_in_India*

Table 2.2: Gross Turnover of Automobile Manufacturers in India (In USD Million)

Year	2006-07	2007-08	2008-09	2009-10	2010-11
Gross turnover	30,476	36,612	33,250	43,296	58,583
(USD Conversion Rate)	45	40	46	47	46

Source: Society of Indian Automobile Manufacturer (SIAM) 2013 Statistical Profile
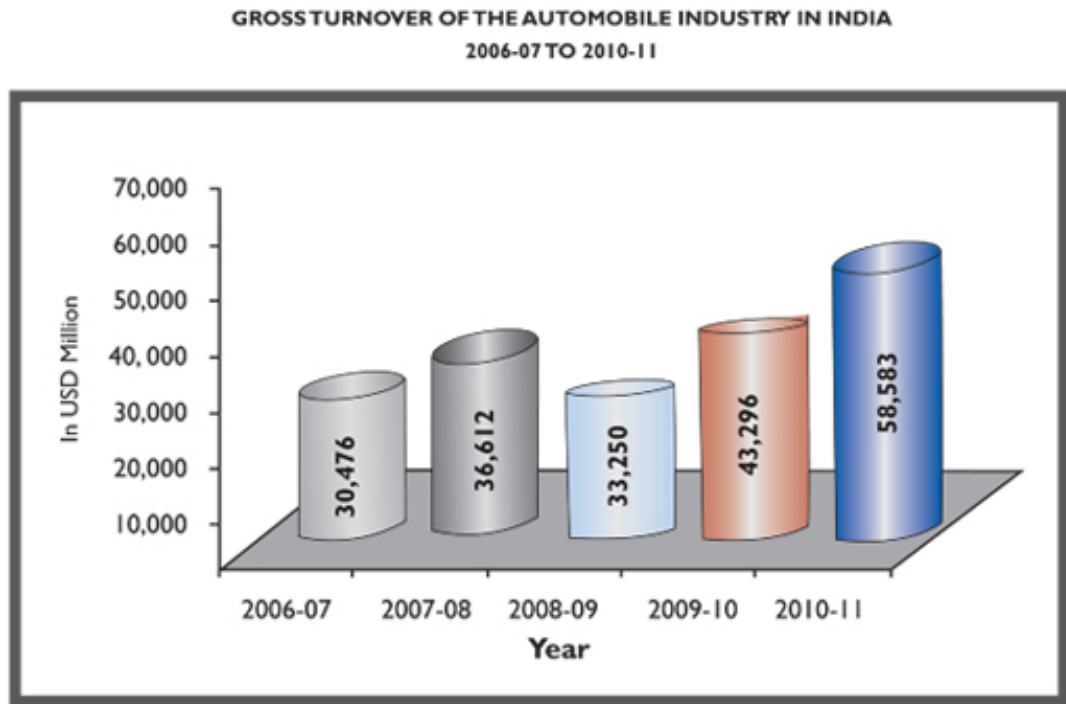
Figure 2.1 Gross turnover of Automobile industry in India.

Source: Society of Indian Automobile Manufacturer (SIAM) 2013 Statistical Profile (www.**siam**india.com/)

2.6. Domestic Market share of Automobile vehicles in India

According to the International organization for Motor Vehicle Manufacturers (OICA) Report 2013 which is represented in Pie chart 2.2 shows that the market share for passenger vehicles in India is 15.15 % ,two wheelers is 77.78%, commercial vehicle 4.4%, and three wheeler 3.35 in the year 2011-12. It shows that there is a good demand for passenger cars in the Indian market. The increase in the dispensable income, easy availability of finance, increase in the sale of used cars etc. are the factors responsible for increase in the demand for passenger cars in India. It also represents that the buyers of passenger cars in India are increasing every year[6].

Figure 2.2:Domestic Market Share - 2011-12
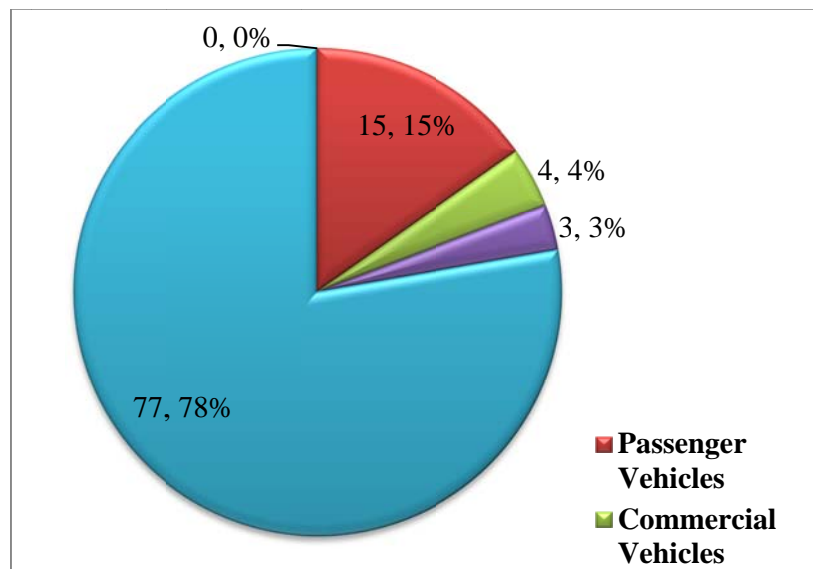
Source: OICA Report 2013

2.7. Production performance of automobile Industry:

According to the figures issued by Society of Indian Automobile Manufacturer SIAM Report, Statistical profile 2013, the total production of automobile vehicles in the year 2007-08 was 10,853,930 which increased to 20,626,227 in the 1012-13.

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6. *The International organisation for Motor Vehicle Manufecturers (OICA) Report 2013*

- In the year 2007-08, the number of passenger vehicles manufacture was 1,777,583 which increased to 3,233,561 in the year 2012-13.
- Similarly, in the case of Commercial vehicles in the year 2007-08, the number of Commercial vehicles manufactured was 5,49,006 which increased to 831,744 in 2012-13.
- In the case of 3-wheelers, the numbers of vehicles produced in the year 2007-08 was 500,660 which increased to 839,742 in the year 2012-13.
- In case of 2-wheelers, the number of two -wheelers produced in 2007-08 was 8,026,681 which increased to 15,721,180 in the year 2012-13.
- It can be seen form the table 2.3 that there is a growth in the production of vehicles during the last 5 years[7].

Table 2.3: Automobile Production Trend

	Automobile Production in years (Number of Vehicles)					
Category	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Passenger Vehicles	**1,777,583**	**1,838,593**	**2,357,411**	**2,982,772**	**3,146,069**	**3,233,561**
Commercial Vehicles	549,006	416,870	567,556	760,735	929,136	831,744
Three Wheelers	500,660	497,020	619,194	799,553	879,289	839,742
Two Wheelers	8,026,681	8,419,792	10,512,903	13,349,349	15,427,532	15,721,180
Grand Total	**10,853,930**	**11,172,275**	**14,057,064**	**17,892,409**	**20,382,026**	**20,626,227**

Source: SIAM Report, Statistical profile 2013 (www.**siam**india.com/)

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7. *Society of Indian Automobile Manufacturer SIAM Report, Statistical profile 2013*
   (www.**siam**india.com/)

Figure 2.3: Category-Wise Share In Vehicle Exports In India (2007-08)
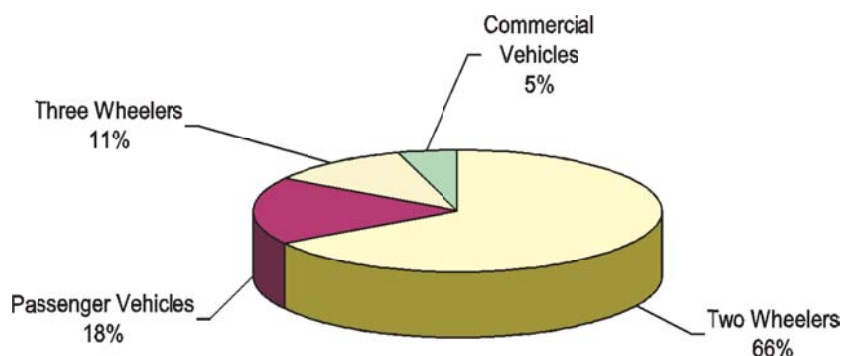
SOURCE: DGCIS, EXIM Research

It can be seen from the pie chart 2.3 that there is 18% share of passenger vehicles, 66% of two wheelers, 11% three wheelers and 5% commercial vehicles in the vehicle exports from India.

2.8. Automobile Exports

Table 2.4: Automobile Export trend

	Automobile Exports Trends (Number of Vehicles)					
Category	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Passenger Vehicles	**218,401**	**335,729**	**446,145**	**444,326**	**507,318**	**554,686**
Commercial Vehicles	58,994	42,625	45,009	74,043	92,663	79,944
Three Wheelers	141,225	148,066	173,214	269,968	362,876	303,088
Two Wheelers	819,713	1,004,174	1,140,058	1,531,619	1,947,198	1,960,941
Grand Total	1,238,333	1,530,594	1,804,426	2,319,956	2,910,055	2,898,659

Source: Society of Indian Automobile Manufecturers (www.siamindia.com/scripts/industrystatistics.aspx)

It can be seen from the table 2.4 that a total of 1,238,333 vehicles were exported in the year 2007-08 which increased to 2,898,659 in the year 2012-13. It shows that Automobile sector contributes to the Indian economy by earning foreign currency. For the first time in history, car exports crossed half a million in a financial year. In March 2012 as compared to March 2011, overall automobile exports registered a growth of 17.81 percent[8]

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8.SIAM Statistics of India by Society of Indian Automobile Manufacturers (www.siamindia.com/scripts/industrystatistics.aspx)

2.9. Automobile industry in Pune

Pune has the seventh largest metropolitan economy and the sixth highest per capita income in the country. Pune is India's fifth auto motor producing district in India. The automobile sector is prominent in Pune. The establishment of the Maharashtra Industrial Development Corporation (MIDC) by the Government of Maharashtra , the Government five year plans and policies , introduction of the New industrial Policy, 100% foreign direct investment, easy availability of raw material , availability of skilled and unskilled labours are the major factors responsible for the growth and development of the automobile industries in Pune.

Today, Pune has a diverse industrial population .It is one of India's most important automotive hub. Some well-known Indian as well as foreign automobile companies have established their manufacturing units in Pune district. All types of automobile vehicles are manufactured in these companies such as two wheelers, three wheelers and four wheelers including trucks and tractors thereby contributing to the Indian economy. The Automobile companies like Tata motors, Mahindra and Mahindra, Force Motors, General Motors, Mercedes Benz, Volkswagen and Fiat are having their manufacturing plants in Pune. It is declared as the motor city of India by *The Independent* [9].

2.10.   Pune Auto Industry Scenario:

It can be seen from the SIAM report published in Sampada, March 2014 on page number 40 that the production of passenger vehicles in Pune is the highest as compared to other vehicles from December 2013 to January 2014. The growth rate of the production of passenger vehicles is 44.8 % which is   followed by commercial vehicles 7.88%,three wheelers 6.96% and two wheeler 3.97% from December 2014 to January 2014 .

9.en.wikipedia.org/wiki/AutomotiveIndustry in India

Table 2.5: Production of automobile vehicles in 2013-14 (in Numbers)

Particulars	Production January 2014	Production December 2013	% Change (Growth Rate)
Passenger Vehicle	**48378**	**33399**	**44.8%**
Commercial Vehicle	42925	39788	7.88%
Three Wheeler	56132	52477	6.96%
Two Wheeler	313696	301689	3.97%
Total	461131	427353	7.9%

Source: Sampada, March 2014 P40

Table 2.6: Domestic (Sales in Numbers)

Particulars	Domestic sales January'14	Domestic sales December'13	% Change (Growth Rate)
Passenger Vehicle	**40704**	**34565**	**17.7%**
Commercial Vehicle	39682	37694	5.2%
Three Wheeler	30353	29672	2.29%
Two Wheeler	194573	155629	25.02%
Total	305312	257560	18.54%

Source: Sampada, March 2014 , p40.

It can be seen from above table that the total domestic sales of automobile vehicles in Pune has increased by 18.58% in the month of December 2013 as compared to January 2014. There is 17.7% increase in Passenger vehicles, 5.2 % increase in commercial vehicles, 2.29% increase in three wheelers and 25.02 % increase in the two wheelers domestic sale in the month of December 2013 as compared to January 2014[10].

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10. SIAM report published in Sampada, March 2014, P40 .

Tables are published in Sampada, March 2014 , p40. Original source - SIAM.

Sampada is a magazine published by MCCIA

2.11. Profile of the Companies selected for this study

Tata Motors: Tata Motors Limited is India's largest automobile company. Tata Motors has many manufacturing plants throughout India such as the Tata Motors plant which is situated at Jamshedpur in the East, then comes Sanand and Pune in the West also Tata Motors has its base at Lucknow and Pant Nagar in the North. Tata Nano is manufactured at the Sanand plant which is located in Ahmadabad District of Gujarat. There are some other vehicles like Mini truck Ace and the passenger carrier Magic is manufactured at the Pant Nagar plant in the north, Low Floor Buses, Semi low floor buses and CNG buses are manufactured at the Lucknow plant in the state of Uttar Pradesh.

The passenger cars of Tata Motors like Indica and Indigo and commercial vehicles are manufactured at the Pune plant. Tata Motors is famous for Nano, Vista, Indica, Manza and Indigo passenger car models and also the commercial light vehicle models which include Tata Ace, Prima, and Winger Venture etc. It has established itself as a market leader in each segment and is also among the top three passenger vehicles with winning segment in cars.

It is one of the major players in Pune's automobile sector with a strong workforce of 24,000 employees. This study is conducted at the Pune plant of Tata Motors. On an average,700 cars per day are manufactured daily in this plant. The market share of Tata Motors is 13.12%. Total cars sold in 2011-12 are 3, 13,385. The popular passenger cars of Tata Motors are Vista, Indica, eCS, Indigo, Indigo and Nano[11].

Mahindra and Mahindra: Mahindra started the manufacturing of automobiles in 1947. Its total business has grown to USD 16.2 billion. There are more than 1, 80,000 employees working in Mahindra and Mahindra.

The study is conducted at the Pune plant of Mahindra and Mahindra which is located at Chakan. The total manufacturing capacity of this plant is 300000 vehicles per year. The Chakan plant of Mahindra and Mahindra has a workforce of 2000 people.

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11. www.**tatamotors**.com/
   en.wikipedia.org/wiki/**Tata_Motors**

Mahindra has sold 38,466 units of vehicles during June 2014. The popular cars under this brand are Bolero, Scorpio, Verito and Xylo[12].

Volkswagen**:** The Volkswagen plant in Chakan occupies a total area of over 2.3 million square meters (575 acres) with buildings covering about 1, 15,000 square meters. It is the largest investment by a German company till today in the growing Indian market. The Volkswagen plant in Chakan has an annual production capacity of 130,000 vehicles per year.

The Pune plant of Volkswagen which is located at Chakan is one of the most modern in the Volkswagen group. The market share of Volkswagen is 2.95% .The total cars sold in the year 2011-12 is 78,261 units. The popular cars of this brand are Polo, Vento, Jetta, Beetal, Passat, Phaeton and Touareg[13].

General Motors: General Motors has been a key player in the global auto industry for more than 100 years. There are more than 121,000 employees who work for General Motors in six continents. General motors is a leading name among the automobile companies in India. It is the 5th largest automobile manufacturing company in India. It started operations in India in the year 1996 when it set up a manufacturing unit in Halol. It has two manufacturing plants. One is at Halol and the second unit of General Motors is at Talegaon in Pune. This study is conducted in Pune plant. It manufactures a wide range of vehicles like trucks and heavy vehicles to cars. The popular cars of this brand include Abio, Spark and Chevrolet[14].

Mercedes-Benz India: Daimler entered the Indian market and set up Mercedes Benz India Limited in 1994. The company was later renamed DaimlerChrysler India Private Limited after the merger of the parent company Daimler with Chrysler .After DaimlerChrysler sold off most of its equity interests to Chrysler in 2007 ,it changed its name to Daimler AG. As a result, Daimler Chrysler India was renamed Mercedes-Benz India once again.

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12.www.**mahindra**.com

13.www.**volkswagen**.co.in/en/**volkswagen**.../**volkswagen**.../chakan_plant.ht.
   http://en.wikipedia.org/wiki/Volkswagen_India

14. en.wikipedia.org/wiki/**General_Motors_**India_Private_Limited

The Pune plant is situated at Chakan and is a 100% owned subsidiary of Daimler AG. It is one of the world's most successful automotive companies. There has been a long association of Daimler Chrysler with India which spans more than 50 years. Presently it is engaged in the local production of Mercedes- Benz cars. It has recorded sale of 5819 vehicles in 2010 with 80% growth in sales as compared to sales in 2009.The Daimler group is one of the biggest producers of premium cars and the world's biggest manufacturer of commercial vehicles with a global reach.The Mercedes Benz has achived the distinction of start the production of new second generation GL Class full size luxury SUV from Mercedes Benz india's world class plant is situated at Chakan[15].

Fiat India Limited: It is an Indian subsidiary of Fiat Group Automobiles, Italy. Fiat India Automobiles Limited was incorporated on 2nd January 1997.The Company presently has 2600 employees and is located at Ranjangaon in Pune District. The plant has a capacity to produce 100000 cars, 200000 engines and other components. The agreement of the joint venture between Fiat and Tata was signed on 19th October 2007. The company is mainly focusing on production and selling of the Fiat Linea, Punto models, which are being manufactured by the Tata –Fiat joint venture plant at Ranjangaon. The company plans to double the production capacity for both car units and engines in the next few years. Fiat sold 23,551 vehicles in 2009 with 241% growth in sales as compared to 2008 and has plan to sell 130,000 cars annually in India by 2014[16].

Apart from the car manufacturing companies there is the Automotive Research Association of India (ARAI) situated at Pune. It provides expertise to the Indian automobile industries.

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15.http://www.mercedes-benz.co.in/ ,

http://en.wikipedia.org/wiki/Mercedes-Benz_India

16. http://en.wikipedia.org/wiki/Fiat_India_Automobiles

2.12. The Automotive Research Association of India (ARAI)

The Automotive Research Association of India (ARAI) is located in Pune. It is a research and development center for automobile industry in India. It is striving to achieve international recognition in the testing and evaluation of components.

Its functions are as follows:-

- It provides design and development expertise.
- It keeps pace with global economy and standards.
- It is involved in testing and evaluation of components and systems.
- It provides technical expertise for research and development to the automobile manufacturing industries.
- Meet national and international standards.
- Meet the requirements of the automotive industries in India and around the world. It plays an important role in assuring safe, more efficient and less polluting vehicles.
- It provides certification, testing, homologation and framing of vehicle regulations.

It works in harmony and complete confidence with its members, customers and the Government of India to offer the finest services, which earned for itself ISO 9001, ISO 14001 and other essential accreditations. ARAI is well- equipped with the latest technology, equipment, facilities and highly qualified manpower.[17]

2.13. Conclusion

This chapter gives detailed information about the development and growth of the automobile industry in India as well as in Pune .It presents the current scenario of the automobile industry. It provides employment to about 15 million people but at the same time attrition is also a major problem in the automobile industry. To find out the factors responsible for the attrition in the automobile industry in Pune, a detail research methodology is essential .Hence the research methodology used to conduct this research is described in the next chapter.

17.http://www.araiindia.com/

Chapter 3
REVIEW OF LITERATURE

3.1 Introduction

3.2 Review of literature from books

3.3 Reference from articles published in journals

3.4 Articles from the Internet

3.5 Review of Articles from News papers

3.6 Review of articles form Government Reports

3.7 Review of Speeches

3.8 Research Gap

3.9 Conclusion

Chapter 3

REVIEW OF LITERATURE

3.1. Introduction:

The purpose of this chapter is to describe the variety of opinions and views of the issues related to the employee attrition. For this purpose the researcher tried to review the relevant literature on this subject .The literature is taken from the following sources:-

1. Books
2. Articles from magazines and journals
3. Articles form Internet
4. Articles from News papers
5. Government Reports
6. Speeches

3.2. Review of literature from books

1. Saiyadain Mirza S., Tripti Pande Desai,

Emerging Issues in Human Resource Management,

An Indian perspective, Chapter 10,

Attrition: A behavioral Perspective by Brinda Balkrishnan,

Excel Books, New Delhi 2007 p 133

In a book "Emerging Issues in Human Resource Management, an Indian perspective" its 10th chapter 'Attrition: A Behavioural Perspective' written by Brinda Balkrishnan, the author describes the results of a comparative survey of employee attrition between ITES, IT and manufacturing sector. The primary data was collected by using open ended questionnaire .Total 73 respondents were selected consisting of ex-employees (27 from manufacturing, 27 from IT sector and 21 from ITES sector) and 5 human resource managers from all three sectors. The information was collected on telephone and by mail.

It was found in that survey that better prospects, location preferences, stagnation and ill-defined career plans were the prominent reasons of attrition in the manufacturing sector.

Monotonous work, lack of career options, better salary and skewed timings were the reasons of attrition in the BPO sector .Better prospects, inadequate training, heavy workload and uneven distribution of work were found the reasons of attrition in the IT sector.

The human resource managers in the manufacturing sector believe that inviting offers by competitors and better prospects were the reasons of employee attrition in the manufacturing sector.

There is no universal solution, tool, technique for attrition management.

Learning

The author describes that better prospects, location preferences, stagnation and ill-defined career plans are the prominent reasons of attrition in the manufacturing sector and there is no universal solution, tool or technique for attrition management.

2. **Seetharaman.S, B. Venkateshwara Prasad,**

   Human Resource Management,

   Scitech Publications (India) Pvt. Ltd.,

   July2007,

   P16.1-16.5

In the book Human Resource Management , Chapter number 16- Labour Problem , page number 16.1 -16.5 the author has explained that Labour turnover is a serious problem among the industrial workers not only in India but in the whole universe. When an employee moves, shifts or migrates from one organization to another organization it is called as employee turnover.

Moving from one organization to another organization for a better and comfortable payment and a decent job is a natural tendency of every employee and this leads to

employee turnover. The author describes that if the employee turnover is up to five percent it is tolerable but when it exceeds this limit it creates serious problems for an organization and it should be properly studied.

Employee turnover is the indicator and warning about the   health of an organization that something is wrong with it but it does not explain the reason behind it .It does not diagnose the disease of an organization ,but just indicates about poor health and hence it must be properly studied by the management.

High employee turnover may be due to many reasons such as poor plans and policies, poor personal practices or poor supervision and so on. It is also an indicator of low morale.

Learning

The author has explained that labour turnover is a serious problem among the industrial workers not only in India but in the whole Universe. It is an indicator of poor health of an organization and should be properly studied. It may be due to poor plans and policies , poor personal practices or poor supervision and low morale among employees are the major reason of employee turnover [2].

3. **Saiyadain Mirza S., Tripti Pande Desai,**

     Emerging Issues in Human Resource Management,

     An Indian perspective,

     Chapter 1, Excel Books,

     New Delhi 2007 p 5 .

Saiyadain Mirza S., Tripti Pande Desai (2007) describes in chapter one -Human Resource Management in 21st Century of his book Emerging Issues in Human Resource Management , An Indian perspective that retaining talented employees is a leadership issue . Authors focus on Human resource strategies and suggest some measures to retain employees and reduce attrition.

Lack of clarity of the policies, discrimination, and lack of effective management are the major factors of employee attrition. Employee attrition can be reduced by a flexible approach of the management.

There are various measures by which a management can retain its skilled employees such as attractive salary and benefit package, providing training and development programmes and providing opportunities for their growth so that employees can face the new challenges and feel value for them. These factors are very important for reducing attrition of skilled employees.

Learning

The author describes that lack of clarity of the policies, discrimination, and lack of effective management are the major factors of employee attrition. [3]

4. **Dessler Garry,**

   A framework of Human Resource Management,

   Third edition, Pearson Education,

   New Delhi, 2008, P 642-643

The author describes that job stress is the main reason for employee attrition. Problems such as alcoholism and drug abuse sometimes are the outcome of job stress. Further the author describes that there are many reasons for stress .There are various external factors which cause stress. These include lack of job security, work schedule, pace of work, transportation problem, and workplace noise and the number and nature of customers or clients.

According to the author no two people react the same way in the same situation in the same organization because their personalities and culture are different and personal factors also influence stress .For example, people who are workaholic, complete their work in the given time .They are type A personality, they normally have greater stress than the other type of employees.

It was found in a survey of 46000 employees that the cost of medical care of highly stressed employees was 46% higher than their less stressed colleagues. He explained

that job stress has serious impact on employees as well as on the organization. Employees get headache, depression, anxiety, anger, cardiovascular disease, and accidents due to job stress. On the other hand there are many serious consequences of employee stress on the organization. These include decrease in performance, and increased absenteeism, turnover, grievances, conflicts and cost of health care. Hence according to the author job stress is also a cause for attrition of employees.

Learning

The author describes that job stress is the main reason for employee attrition it can cause many problem to employees as well as the organizations. It may be due to internal problems, external problems or personal problems. It is also a reason of employee attrition in organizations.

5. **Greer Charles R.,**

   Strategic Human Resource Management,

   A General Approach Second edition,

   2009, P22-37

The author suggests that organizations must have highly skilled and knowledgeable employees if they want to become competitive in the industry. Organizations must also have a relatively stable workforce because employee attrition directly works against obtaining effective coordination and organizational learning that leads to produce high quality products and services. There is a growing recognition of the relationship between company strategies and their human resource practices.

Companies pursue strategies of innovation to reduce attrition. Companies which rely on individual expertise and unrecorded knowledge tend to provide greater job security for some employees.

Companies invest in their workforce on development programmes that increase retention. When they fail to make such investment they incur a high cost of attrition of employees.

There is a great demand for specialists such as technology specialists, information specialists and other technical employees and companies are very innovative to retain these specialists. Many companies have started career development institute and other institutes to develop employees which help them to retain skilled employees and reduce attrition in companies. Opportunities for training, new learning, growth, promotion and liberal transfer policies also have a positive impact on employee attrition. Effective management of diversity and prevention of sexual harassment also increases retention and reduces attrition.

Learning

The author describes that lack of investment in the employee development plans; technological change and innovation are the reasons of employee turnover. The companies that are pursuing strategies of innovation have the potential to be affected because of reliance on individual expertise and unrecorded knowledge. Further the author describes that the demand for specialists and other highly skilled employees are so strong that companies have been very innovative in their retention efforts.[5]

6. **Dr. Holweg Matthias, Philip Davies and Dmitry Podpolny (2009)**

   The Competitive Status of the UK Automotive Industry,

    Published by PICSIE Books, Buckingham, MK187YE,

   United Kingdom, 2009, p51-52

Dr. Holweg Matthias, Philip Davies and Dmitry Podpolny (2009) explains that low salary and companies' inability to attract qualified individuals .The employees in United Kingdom have shrunk by more than 90000 between 1996 to 2006.

The data shows that the declined in the automotive sector was more pronounced than in manufacturing as a whole. The number of employees in the automotive industry in the   United Kingdom has reduced.

According to one interviewee the United Kingdom automotive industry is unable to attract qualified employees and unable to provide competitive wages and interesting career path.

The quantitative data shows that salaries in the UK industry are really lower on an average than in Germany and France. This has been confirmed statistically. Hence low salary is major reason of employee attrition.

Learning

The major cause of attrition in the United Kingdom automotive industry is low salary and companies' inability to attract qualified individuals. The salaries in the UK industry are lower as compared to salary in Germany and France.

7. **Khanka S.S.,**

   Human resource Management (text and cases)

   S. Chand and Company Limited,

   New Delhi2009, P146

S.S. Khanka (2009) describes in chapter number thirteen, page number 146, in his book Human Resource Management (text and cases) that an employee resigns due to various reasons. Resignation may be voluntary or involuntary. Ill health, marriage, better job prospects in other organizations etc. are the reasons for voluntary resignation by employee.

Further the author has described that some time mistakes are committed by the recruiter at the time of hiring an employee hence some resignations are good and advisable for the organizations.

However a high employee turnover is an alarming signal for an organization. In such a case, it is essential for the organization and its management to find out and analyze the reason behind resignations.

It can be done by conducting 'exit interviews' with the employees who are leaving the organization. It may help the management to control employee turnover before it reaches a dangerous situation.

Learning

The author describes that there are various reasons for resignation like ill health, marriage, better job prospects in other organizations etc. Exit interview helps an organization to control the employee turnover [7].

8. **DeNisi Angelo S., Ricky W. Griffin**

   HRM -An Introduction,

   Cengage Learning India Private Limited,

   New Delhi 110092,

   First Indian reprint 2009,p 157.

DeNisi Angelo S. Ricky W. Griffin (2009) describes in his book "HRM -An Introduction" in chapter number six about how to manage employee turnover.

He states that a high rate of employee turnover can cause serious problems to organizations. It can damage the organization's image in the market, production and goodwill.

Managing employee turnover is a must and very essential because it is associated with high cost .It includes cost of hiring, cost of recruitment, training and employee replacement. It is very essential and important to find out the causes of turnover and it should be managed properly.

Further the author describes that a major cause of turnover is job dissatisfaction, or being uncomfortable with the job. This is a responsibility of every human resource manager to look after the job satisfaction of every employee and should take efforts to retain skilled and valuable employees and reduce employee attrition.

Every employee must be satisfied with his/her job, work environment and organization. The author suggests that if we increase job satisfaction, employee attrition will decrease. This solution is correct but again this process is very complex.

The author has suggested models of turnover process. The first model represents that when job dissatisfaction increases the employee starts thinking of leaving the job. He

searches for alternatives and when the dissatisfaction increases he compares alternatives and leaves the job.

The second model begins with the shock and not with job dissatisfaction. The job dissatisfaction starts only when an employee thinks about the job in response to the shock. The shock includes events such as missing a promotion or receiving an offer from other company, winning a lottery or losing a loved one. In this case the employee starts thinking that he is not fit for the company. This model shows how difficult it is to manage employee attrition.

Learning

The author describes that job dissatisfaction is the major cause of employee attrition. The human resource manager plays a major role in ensuring that employees are satisfied with their job. It is the role of human resource manager to keep the employees happy and satisfied which in turn reduces turnover and helps to retain valuable employees[8].

9. **DeNisi Angelo S., Ricky W. Griffin,**

    HRM -An Introduction, Cengage Learning India Private Limited,

    New Delhi 110092,

    First Indian reprint 2009,p 309

The author has explained the impact of stress on employees and the organization. Stress is a major cause of employee attrition .It can have a negative impact on the morale, organizational commitment, job satisfaction, performance and motivation of employees.

When there is too much pressure on employee and only few sources of satisfaction then it leads to burnout which is a feeling of exhaustion. This leads to stress. There are various effects   of stress such as decrease in the organizational performance. Two important consequences of stress are absenteeism and turnover.

When people quit their job themselves it is called turnover. Turnover of employee is a costly affair for an organization .It includes the cost of hiring, training replacing and

other costs. When productive people leave an organization it is a loss for the organization. Turnover may be due to several factors, such as when the employee is unfit for the job, complexity in the job, the organizational factors, the individual factors, labour market situation and family influences. Employees also leave an organization when they are not able to balance between work life and family life. The employees may stay if an organization helps them to manage their work and life by providing flexibility. .

Learning

The author described that absenteeism and turnover are the results of burnout and stress. Stress, lack of Job satisfaction, lack of work life balance, low morale and organizational commitment can cause absenteeism and turnover. The employees may stay if the organization helps them to manage their work and life by providing flexibility[9]

10. Memoria C. B. and S. V. Gankar,

   Personal Management, Text and Cases ,
   Himalaya Publication House,
   21st revised Edition2010, p273

Memoria C. B. and S.V. Gankar, (2010) has described that turnover is a problem not only for the employees but for organizations also. Labour turnover is the outcome of resignation. There may be various reasons for labour turnover such as unhappiness with working conditions, low wages, continued ill health, old age, and family problems.

Further the author describes that some amount of labour turnover due to retirement and recruitment of new blood is unavoidable, natural and welcome to some extent but when turnover arises due to resignations and dismissals it has adverse effect on the workers and the quality of production. The flow of production is also affected.

The Bombay Textile Labour Committee has pointed out that though a high rate of turnover exists in all organized industries in India, no reliable data on its extent is available. The Rege committee collected some data on labour turnover during the

Second World War and found that in the engineering group the labour turnover rates are fairly high in Calcutta.

Learning

The author describes that turnover is harmful to the organization .When labour turnover is the outcome of resignation it hampers quality and the flow of production. Resignation may be due to unhappiness with working conditions, low wages, continued ill health, old age and family problems [10].

11. Dowling Peter J. and Denice E. Welch,

International Human Resource Management

4th Edition, Managing people in Multinational Context,

Cengage Learning India Private Limited,

New India, 2010, P196

The authors have explained that it is not only India but China and Russia also are facing the problem of employee turnover. China is facing high employee turnover in Chinese as well as foreign owned companies. Insufficient compensation is the major reason for staff turnover in Chinese and foreign owned companies. Chinese employees change their job not for the development of their skill but for higher salary. Multinationals provides training to their employees so that they can use their machinery and instruments properly. It is very difficult for an organization to prevent an employee from leaving an organization.

To retain the employees Chinese companies have implemented many plans and programmes such as employee development programs and provision of additional benefits. Chinese employees are getting better compensation which has a positive attitude towards job and employee retention.

The problem of employee turnover exists not only in China but also in other countries like Russia. The demand of employees in Russia who know foreign language and have experience of working in western companies is high .Hence these employees generally move freely between one companies to another company.

Learning

The authors have explained that it is not only India but also China and Russia that are facing the problem of employee turnover. In Russia the demand for employees who know foreign languages with experience of working in western companies is high and they move freely between jobs.[11]

12. Davar R.S.,

Personal management and Industrial Relations,

Vikas Publishing house Pvt. Ltd.,

Tenth Revised Edition, reprint 2011, P153

The author focuses on employee turnover and the need of finding out the reason behind the employee turnover in his book Personal management and Industrial Relations, chapter number eight page numbers 153. He explains that terminations are of two types, one is initiated by the employer and the other is initiated by the employee.

The author describes that resignations are harmful for organizations. It shows that there is something wrong with the organizational climate. It is the duty of the manager from human resource or personnel department to take care of resignations and find out the reason behind resignation.

Exit interviews can help a manager from the personal department to find out the real reason behind resignation. A human resource manager can study the exit interviews over a fixed period of time and find out the causes behind voluntary resignation and the manager can also make some improvements in some personal management functions such as the nature of supervision, salary structure, personal policies, working climate of an organization and other factors. Exit interviews can help a manager to find out the real reason behind resignation and can help in providing solutions for reducing voluntary resignations

Learning

The author describes that resignations are harmful for organizations. It shows that there is something wrong with the organizational climate. Human resource manager

should take proper care of resignations by conducting exit interview and find out the reason behind it. A human resource manager can study the exit interviews over a fixed period of time and find out the causes behind resignation. [12]

13. Dr. Bedi Ravindranath,

Human Resource Management (Text and Cases)

Himalaya Publishing House,

Mumbai 400004,

2011, p242

Dr. Bedi Ravindranath (2011), has focused on the importance of exit interview in detail .He also describes what precautions should be taken while conducting an exit interview. According to him resignation is a voluntary separation initiated by the employee himself. Marriage, poor health, better career opportunities in other organizations etc. are some of the various reasons for voluntary turnover .Some resignations are good for an organization as the organization may correct the mistakes done at the time of recruitment and selection process of employees and for bringing new blood in to the organization. However excess turnover of employees are costly and not good for the organization because the expenses involved in recruitment, selection, training, development and growth is totally lost. Further the author states that finding out the real causes of attrition by the personnel department is necessary, so that proper action can be taken to prevent avoidable resignations.

The author points out the importance of exit interview and what precautions should be taken while conducting an exit interview. He mentions that exit interview can help an organization to find out the real causes of resignation. It should be conducted by a responsible person and before it the employee should be taken into confidence. Convince and ensure the employee that whatever they say will not be disclosed to other employees. Explain to them that it is conducted to improve the organization. An interviewer should listen patiently to the employee's views and the reason of leaving the organization. Try to find out the causes of employee turnover. Pay him/her a final cheque and wish him all the best for his future.

Learning

According to the author marriage, poor health, better career opportunities in other organizations etc. are some of the various reasons for voluntary turnover .Excess turnover of employees is costly and not good for the organization and in this case exit interview with proper care can help to reduce voluntary resignation[13].

14. Prasad L.M.,

    Human Resource Management,

    Sultan Chand and Sons Educational Publications,

    New Delhi, 2011

    pp 563-569

The author reveals that employee turnover and overstaffing of employees are the biggest problems for many organizations in the present time. The author describes that it is very surprising that employee turnover is significantly high even in those companies which are considered as the 'best places to work' Companies are taking serious efforts on preparing retention plans and policies to reduce attrition of employees.

The Economic Times in partnership with the USA conducted a survey in 2009 for identifying India's best companies to work for. The survey was conducted in 373 companies and it was found that the companies which were identified as best places to work have significant employee turnover. In India the attrition rate in the manufacturing sector was 10-12 per cent in 2005 and it increased to 12-20 per cent in 2006 according to Business Today, July 2007.

There are various causes of employee attrition; some are employee related whereas some are organization related factors. Too much future expectation , habit of changing job frequently among young employees at the starting period of their career, better career opportunity in new organizations , lack of satisfaction from the present job, habit of staying at home , and tendency to start one's own business are the employee related factors .whereas faulty human resource policies and practices particularly related to salary, poor organizational culture, conflict between the individuals and the organization, promotion , poor working condition ,lack of training and development,

poor leadership and supervision , unrealistic goals, expectation about high status and salary are the organization related factors which leads to employee turnover.

Further the author describes that high employee turnover is a costly affair for both employees as well as the organization. It indicates that there is something wrong in the organization and it must be corrected, otherwise the organization cannot flourish. High employee attrition is a huge loss to an organization.

An organization has to bear various types of costs because of high employee turnover .It includes cost of hiring, cost of recruitment, selection, and placement of new employees, cost of training and development, Loss of production, adverse impact on the existing employees' morale, loss of goodwill and prestige of organization in human resource market, specialization cost of new employee, disturb teamwork and team spirit in the organization.

According to the author attrition of employees can be reduced by conducting exit interviews, effective retention strategies, attractive package, stay interview, retention bonus, Intangible benefits, matching job and individuals and employee relationship management.

Learning

The author describes that attrition rate is a big problem in the manufacturing sector. The employee turnover rate is significantly high even in those companies which are considered as the 'best places to work'. There are various causes of employee attrition; some are employee related factors whereas some are Organization-related factors. An organization has to bear high cost because of high employee turnover hence it must be reduced by exit interview and other plans and policies. [14]

15. Memoria C.B., V.S. P. Rao

Personal Management Text and Cases

Himalaya Publication, 2012, p 251

In the book Personal Management Text and Cases, chapter number thirteen page number 251 the author focuses on employee turnover, its reasons and has explained how to deal with it.

The author describes that labour turnover is the result of voluntary resignation which is not good for an organization. There are various causes of resignation such as poor health, better opportunities elsewhere, physical disability or marriage in case of young girls. Resignation is involuntary when an employee is asked to resign due to negligence of duty by him or serious damage to company by him. Further the author describes that the warning sign of resignation must be recognized and both the parties must understand the dynamics of resignation. The author suggests that exit interview can help a company to find out the reason behind the voluntary resignation.

In this chapter a case is discussed about Hexaware Technologies limited. This company has made an attempt to understand the reason behind resignations. Its Chief People Officer reveals that he has designed a process of exit interview to find out the reason of voluntary resignation. Further he says that this idea does not work always but we are working to make it better. He also points out that employee attrition in an industry is a wide problem and not specific to any organization. This company has implemented some measures to reduce attrition such as job rotation, opportunity to select preferred location and this company reviews its compensation scale twice in a year.

Learning

The author has focused on employee turnover its reasons and explained how to deal with it. There are various causes of resignation such as poor health, better opportunities elsewhere, physical disability or marriage in case of young girls. The author suggests that exit interviews can help a company to find out the reason behind the voluntary resignation.[15]

16. P. Subba Rao,

Essentials of Human Resource Management and Industrial Relations(Text, Cases and Games)

Himalaya Publishing House

Fifth Revised edition2012,

Chapter no 30, pp 667-669

P. Subba Rao, (2012) writes the meaning and definition of employee turnover as external mobility means shifting of employees into and out of an organization. It is defined "as the rate of change in the employees of an organization during a definite period."

The author writes that employees who are happy and satisfied remain for a longer period in an organization whereas employees who are not satisfied in their career in the present organization try to find a job in other organizations. At the same time when an organization cannot find any suitable employee from an internal source it prefers to get one from an external source.

There are many effects of employee turnover, some are positive and some are negative but the negative effects are more as compared to the positive effects. The author describes that up to a certain limit employee turnover is a natural and unavoidable part of any organization which takes place due to death, retirement, layoff etc. and it helps to attract efficient employees into the organization. But employee turnover beyond a certain limit leads to many problems for the organization as well as for managers like increase in the cost of hiring, training and development induction and placement , lower or declining efficiency of employees and productivity . It also increases rate of accidents and wastages etc.

It is the responsibility and duty of a human resource manager to look into the reasons of employee turnover .He should try to find and analyze the reasons of employee turnover and provide solution for their problems so that the adverse effect of employee turnover on the organization can be reduced.

There are various reasons of employee turnover such as better status in other organizations, dissatisfaction with the current job, getting better salary, starting own business, family problems , continuous ill health and many more . Globalization has created new job opportunities. Consequently, the employees resign from their current jobs in order to join new organizations for better prospects.

Learning

The author describes that better status in other organizations, career development, dissatisfaction with the current job, getting better salary, starting own business, family problems , continuous ill health and globalization are the reasons of employee attrition.[16]

3.3. Reference from articles published in journals

1. **E. P. Sheehan(2001)'**

   Affective responses to Employee Turnover,

   Journal of Social Psychology, 135: p 63-69

The author reveals that there are negative psychological influences of the employees who have left the organization on the employees who are working in an organization after the employee turnover.

The author has studied the impacts of employee turnover on those employees who remain in an organization. A survey was conducted by the author to find out the impact of employees who leave an organization on the psychology of employees who continue in the organization. A total of 250 employees from two organizations in the western United States were selected randomly as respondents. Information was collected by using a questionnaire.

It was found that the employees who remain in the organization do compare themselves to their former colleagues, co-workers who quit for reasons that reflect negatively on the stayer's job and they experience job dissatisfaction. The employees who stayed on in the organization felt job dissatisfaction among themselves.

Learning

The author finds that the employees' attrition has a negative impact on the psychology of the employees who continue in the same organization. It increases job dissatisfaction among the existing employees after their colleague leave an organization.

2. **Rao T.V.**

   Factors affecting attrition and strategies of retention,

   NHRD Journal, Vol-1, Issue3,

   May2007,pp 5-8

Rao T.V. (2007) reveals that attrition affects both an individual and an organization hence it should be managed effectively .He points out that people don't quit company but they quit their bosses. There are many factors responsible for an employee quitting one company to another.

Managing attrition does not means reducing its magnitude but it means reducing the negative effects of attrition and increasing the positive effects of attrition. It can be done by preparing and implementing effective retention strategy, utilization of available human resource and by talent utilization strategies. There are many factors which lead to attrition such as personal factors, organizational factors, job related factors, professional factors, societal including peer pressure, socio economic and environment factors.

Personal factors include career growth, family mobility, marriage and some people get bored and fatigued easily and frequently change their jobs.

Job related factors which lead to attrition are characteristics of the job, lack of role clarity, independence , bad boss, unsupportive team members.

Economic factors like low salary, lack of sufficient fringe benefits, lack of housing and travelling facility etc. are the reasons for leaving an organization.

Further the author describes that every organization must try to find out the source of attrition, reason of attrition, whether it is more in males or in females. Management should try to find out whether it is related to some functions/departments /sections or a people from a particular group. Is it more among candidates from certain college, institution, region, in male or female etc?

The author has briefed the findings of some survey in this article : For example , an oil exploration company conducted a survey to find out why and in which department the employees attrition is high .Such an analysis revealed that attrition was more in the "drilling" and 'Financial Service" divisions.

In another survey conducted at an engineering service company, it was observed that people left because they did not like the working style of their manager , hence the working style of the manager was found the major reason for attrition in that company. According to this survey employees stay longer not because of task centered but developmental style of their manager.

The effects of losing a manager creates many problems for an organization such as : loss of organization's competitive position due to leadership vacuum which is very essential for every organization , loss of developmental and intellectual resources, disrupts and weakens customer relationship, employee turnover has a significant effect on the companies' bottom line by reducing their ability to keep current customers, acquire new ones, increase productivity, and pursue growth opportunity.

Many studies have proved that there is a correlation between job satisfaction and direct supervisors and managers. It is found that people don't quit companies, they quit bosses.

According to a new study,41% of high value employees who intended to leave their jobs were dissatisfied with their managers or supervisors.

Further the author describes that better and competitive compensation and incentive package, good organizational climate, employee satisfaction survey, celebrating

festivals, birthdays, and social and cultural network are the factors which keep the employees for a longer time.

Learning

There are many factors which lead to attrition such as individual factors, organizational factors, job related factors , professional factors, societal factors including peer pressure factor and socio economic environmental factor. In a survey it was found that the style of functioning of the manager was the major reason of employee attrition.

Many studies have proved that there is a correlation between job satisfaction and direct supervisors and managers. People don't quit companies but they quit bosses.

3. **Pandit Y.V.L.**

Talent Retention Strategies in a Competitive Environment,

NHRD Journal, May 2007,

P27-35

This article provides an excellent overview about the top five challenges faced by the human resource managers in a wide range of companies and industries.

An online survey was conducted among Human Resource managers across a wide range of companies and industries to find out the top five challenges faced by the Human resource managers in their company.

It was an online survey and responses from two hundred and eighty human resource managers were received.

Retention of talent was found the single most challenge faced by the Indian Human resource managers. Seventy three percent of the human resource managers said that it was also a serious problem at international level.

The author has described the findings of a report which was published in *The Economist* in its 7 October 2006 issue. According to this report a survey of

international senior HR managers was conducted by Corporate Executive Brand, Washington D.C. It was found in that survey that attracting and retaining talent was their number one priority.

Learning and Growth opportunities play an important role in creating commitment, loyalty and motivation in employees and it brings organization and employees together.

It was suggested that the top twenty per cent of managers should be identified by the human resource managers based on a clear cut criteria. Make sure that every employee feels that it is a fair and un biased process. These managers should be developed and retained.

Further the author describes that the most important challenge faced by a human resource manager is retaining talent which is very difficult in today's competitive world. An organization should plan for attractive salary, reward, recognition; develop leadership skills among them by providing training. These factors play an important role in attracting the talent in an organization.

Learning

The author found that retaining talent is the top most important challenge faced by many human resource managers in today's competitive world. It is not only in India but in the rest of the world. Retaining talent is not an easy job for human resource managers but organizations can provide attractive salary, reward, recognition, develop leadership skills among them by providing training. This may help to reduce attrition and retain them.

4. **G. Badri Narayan and Pankaj Vashishth,**

   Determinants of Competitiveness of the Indian Auto Industry,

   Working Paper no201,

   Indian Council for Research International Economic Relations,

   January 2008.

G. Badri Narayan And Pankaj Vashishth (2008) reveals that lack of skill availability is a major problem in an automobile industry.

The author describes that there is a positive correlation between labour productivity and labour turnover. Labour productivity in original automobile equipment manufacturers is higher than auto component manufacturers both at the all India level and in every region.

He reveals that the labour productivity of Indian labour working in the German, Korean and Japanese companies located in India is high as compared to the labour working in Indian Original equipment manufacturing companies. It is because of high technology and automation level is higher in Germany, Korean and Japanese companies as compared to Indian companies.

The author describes that there is a negative correlation between the workers working in the production department and turnover whereas there is a positive correlation between the employees working in Research and development and turnover.

Learning

The author describes that there is a negative correlation between the workers working in production department and turnover whereas there is a positive correlation between the employees working in research and development and turnover. Labour productivity of the Indian labour working in the Germany, Korean and Japanese companies located in India is high as compared to the labour working in Indian Original equipment manufacturing companies.

5. **Jain (Pagaria) Pratibha**
   "Attrition", HRM Review,
   The ICFAI University press,
   Volume-VIII Issue-III,
   March 2008

The author focuses on the reasons of high employee attrition and has suggested measures to reduce it. According to the author employee attrition is a big problem not

only in India but outside India also. This problem is increasing continuously and every employer is facing this problem. What are the reasons of the employee attrition?

The author explains that employers are hiring a human resource person from outside the organization to find the reason of attrition and employee dissatisfaction. When an employee leaves an organization it reduces the production, profit and quality of product because the employee who left an organization carries his skills, experience with him. Employee turnover is a serious issue and it can be reduced by proper planning and implementing effective retention strategies, it would also increase the commitment of employees towards the organization. Management should also take efforts to increase job satisfaction among the employees.

There are various reasons for employee attrition such as better or good working conditions and stable working hours in the new company, opportunities for career development, high salary, suitable location, brand image of, a better boss, suitable job profile by other company, lack of empowerment, trust and employee engagement in existing company are reasons of shifting from one company to another.

It is very essential and important for every organization to find the solution to reduce and manage attrition because in today's highly competitive world it has a negative impact on the company's success and competitive strength. Although there is no solution available to curb attrition problem, by carefully aligning employee personal goal with the organizational goals, the rate of attrition can be reduced to a large extent.

Learning

The researcher found that better or good working conditions and suitable working hours in the new company, opportunities for career development, high salary, suitable location, brand image of, a better boss, suitable job profile by other company, lack of empowerment, trust and employee engagement in the existing company are also the reasons of shifting one company to another.

6. **Hekelova ,Katarina Srdosova**

Management of Human resource in the automotive industry

Scientific Proceedings 2009, Faculty of Mechanical Engineering,

STU in Bratislava , 2009,pp1-6

This article focuses on the reasons of attrition and suggests solutions to reduce it in the automobile industry located in Slovakia .The author finds that stress at work and lack of communication are the main reasons for employee attrition in an automobile industry .

The author describes that dissatisfaction among the employees, work stress, lack of manager's attention, lack of communication are the strong causes of employee attrition .Surprisingly money is not the prime reason of attrition. Dissatisfaction among employee creates mental stress   among the employees and disturbs the mental status of employees. The author suggests measures to solve the above problems such as :

- Stress among the employees can be minimized by job rotation. It also reduces the monotonous work.
- Regular meetings between the employees and immediate boss should be organized regularly, so that there can be free communication between them. It also improves the communication between them.
- Organization objectives and Key result areas, accountability must be clearly defined and explained to every employee.
- Roles and the responsibilities of every employee must be communicated to them.
- Find out the reason of employee attrition and try to solve those problems so that the work force would be stable.

The above mentioned measures are the solution suggested by the author to reduce the employee attrition in the automobile industry in Slovakia.

Learning

The author describes that dissatisfaction among the employees, work stress, lack of managers attention, lack of communication are the strong causes of employee attrition .Surprisingly money is not the prime reason of attrition.

7. **Adhikari Atanu(2009),**

   Factors Affecting Employee Attrition: A Multiple Regression Approach,

   The Indian Journal Of Management Research,

   Volume VIII, Number 5,

   1990,p 43.

The author of this article describes that there are mainly four factors which increase the employee attrition. The first factor is related to work, the second is related to skills of an employee, the third is related to skills of the employer and the last is the issue related to the salary of an employee.

The author explains that the first and the most important factor which leads to employee attrition is the factors which are related to the work , the second and the third factors are skills of an employee as well as the skill of an employer and the last factor that leads to employee attrition is factors related to salary.

Generally people feel that salary is the prime issue for quitting an organization but t is not true. Employees give more preference to the job profile, job contents, behaviour and attitude of their boss and at the end they give preference to salary. It represents that employers should take proper care while assigning a work or job to their employees or a group. The employer should match the job requirement with the skill and interest of an employee. Employer should be well mannered with his r subordinates.

Learning

The author explains that the first and the most important factor which leads to employee attrition is the factors which are related to the work ,the second and the third factors are skills of an employee as well as skill of an employer and the last factor that causes the employee attrition is factors related to salary.

8. Batt Rosemary and Alexander J.S. Colvin, (2011)

Cornell University, Academy of Management Journal,

Volume 54, Number 4,August 2011 p697.

Batt Rosemary and Alexander J.S. Colvin, (2011) focused on the factors responsible for an employee to leave his organization and suggest solution for reducing the employee turnover.

According to the author lack of satisfaction with human resource plans and policies and poor working conditions are the major reasons for employee attrition. It increases high employee cost, disturbance in the production, disturbance in the functioning in other departments and other problems in an organization.

A suitable and an effective human resource strategy help to identify an employee who is a poor performer. These employees can be trained and developed or can be dismissed. Hence human resource plans and strategies should be well prepared and should be explained to every employee .It helps to control attrition.

Learning

According to the author lack of satisfaction with human resource plans and policies and poor working conditions are the major reasons for employee attrition.

9. Makhbul Zafir Mohdand Mohd Radzuan Rahid and Fazilah Mohammad Husain,

What made they go, Journal of Global Management,

Volume1,Number 1,

January 2011,p19-20

The authors have described the findings of a comparative survey conducted to find the reason of employee turnover in Government and private sector.

The respondents were one thousand sixty hundred and sixty eight employees from the public and private sectors The data was collected by using a questionnaire. It was a

comparative study about the causes of leaving and factors responsible for the intention to leave among the employees in the public and private sector.

The author describes that employee turnover is a big problem not only in one particular industry but in almost all the organizations.

Employee turnover creates many negative effects on organizations like increase in the cost of recruitment, training, loss of good image etc.

From the researcher's findings it shows that psychological factors lead to the employees' intention to quit in both the sectors. The factors for intention to leave an organization are not same in both the sectors. The reasons for intention to leave a private sector organization were different from the reasons for intention to leave a public sector organization.

Fatigue and job satisfaction were found the main reasons for leaving a public sector organization whereas fatigue and somatic complaints were found the main reasons for leaving a public sector organization. These differences may be due to difference in plans, policies, and culture of an organization.

Learning

A survey conducted by authors in the public and private sector .It was found that Fatigue and job satisfaction were found the main reasons for leaving a public sector organization whereas fatigue and somatic complaints were found the main reasons for leaving a public sector organization. These differences may be because of difference in plans, policies and culture of an organization.

10. Nakagawa Hiroshi,

Automobile Affordability issue,

The Hindu, Survey of Indian industry,

2012,p 147.

Nakagawa Hiroshi (2012) describes that according to a survey of an automobile industry it was found that the automobile industry is also facing a severe problem of skill shortage like many other companies.

There is a shortage of skilled technical expert and skilled managerial manpower .This challenge is very discouraging as this boils down to the fundamental level of training infrastructure and the overall perception of the society.

Industry experts believe that there are many human resource challenges in the automobile industry and for solving these challenges the Indian auto industry needs to primarily recruit and retain skilled professionals.

In today's scenario recruiting and retaining capabilities is essential for the success of an auto industry.

Learning

According to a survey of the automobile industry is facing a severe problem of skill shortage. There is a shortage of skilled technical expert and skilled managerial manpower. Further industry experts believe that there are many human resource challenges and for solving these challenges the Indian auto industry needs to primarily recruit and retain skilled professionals.

11. K.Balanaga Gurunathan and V. Vijaylakshmiji (2012),

Theoretical Construct on Employee Retention Strategies and Its Bang in Automobile industry in India,

European Journal of Social Sciences, ISSN 1450-2267,

Volume 30,Number 2,(2012), pp254-262

K. Balanaga Gurunathan and V. Vijaylakshmiji (2012) describes about the factor responsible for employee attrition.

The author explains that generally people feel that employees work for only money but it is not true. Money is not the only factor for which the people work but there are many other factors such as acknowledgement for the achievements, suitable work timing, career growth and development. The author suggests that there should be good communication and recognition must be given to employees but there is no suitable plan or policy for retention of employee.

The author finds an unexpected fact that all of a sudden the valued and talented employees who are getting handsome salary leave an organization without any reason. Hence it is very important for an organization to find out, in spite of providing all the comforts, why employees leave an organization. Every organization should try to find the reason behind it.

The famous businessman Azim Premji gives a surprising answer, he clearly states that the immediate supervisor would have been the root cause of his resignation.

Learning

The author describes that money is not the only factor for which the people work but there are many other factors such as acknowledgement for the achievements, suitable work timing, career growth and development. The famous businessman Azim Premji gives a surprising answer, he clearly states that the immediate supervisor would have been the root cause of his resignation.

12. Ryan Liz from Business and Management team,

Bad managers cruel to corporate culture,

Business and Management for emerging Business managers chronicle,

Volume 16, November 3,

January 2012, p 67.

The author has described that the behaviour of the immediate boss is the main reason of employee attrition. Apart from this when job responsibility and expectations from employee are not properly defined and explained to the employees, they are unable to do it properly and find it difficult to do the job, and do not find any solution for the problem and as a result they leave the current company.

Most of the managers think that they are doing a favour to their subordinates by providing a job. A bad manager does not explain to them how to do the work because he feels that it is not the work of a boss and when they are working in a company they must know all the work. They say that they (subordinates) are paid for the work and not to teach them how to work. This kind of attitude of the boss demotivates their staff.

Hence lack of properly defining and explaining the job responsibilities to the employees and the attitude of the immediate boss are the main reason for employee attrition. It forces the skilled and good employee to resign and join a new company.

Learning

According to the author lack of properly defining and explaining the job responsibilities to the employees, and the attitude of the immediate boss are the main reasons for employee attrition. It forces the skilled and good employee to resign and join a new company.

13. Bhargava R.C., the chairman of Maruti Suzuki India Limited,

Bad managers cruel to corporate culture,

Business and Management for emerging Business managers chronicle,

Volume 16, November 3,

January 2012, p66.

R.C. Bhargava (2012) Commenting on a recent strike in Maruti Suzuki India Limited, the biggest auto manufacturer in India, Bhargava R.C., the chairman of the company reveals that workers are not bad but the managers are bad. This saying is not new and has been repeated many times by many business tycoons.

Further he says that the focus of management school is only good governance. But now the management gurus have realized the loss and damage that occurs due to bad managers and bad management. Bad managers destroy not only the employees but also the organization in the long run. Bad management practices and managers can even harm the top and bottom line. An organization has to face huge loss because of these managers and management.

Learning

Bhargava R.C., the chairman of Maruti Suzuki Company reveals that workers are not bad but the managers are bad and managers are the only reason for the huge loss and destruction to the organization and management.

14. Bojagar S.A,

A Study of attrition as HR challenge in medium scale industries in Pimpri – Chinchwad area,

Contemporary Research in India:

Vol2, Issue2, June 2012

S.A. Bojagar (2012) conducted a study to find out the contribution of organizational factors in workers job satisfaction in Pimpri Chinchwad area. A total of five medium scale industries were selected from the Pimpri Chinchwad area for conducting the survey. The researcher used an open ended questionnaire to collect the primary data.

It was found that the yearly attrition rate was 9.15 percent; it was calculated by adding the total number of employees who left in all the months. .

It was found in a survey that there were different reasons behind employee attrition which were expressed by the respondents during interviews in all the five companies. The very first reason for leaving the job was to find better career options elsewhere. The second reason was family problem; the third was lack of learning attitude and next was switching over even for a little hike in salary, and lack of good relations with colleagues. Hence it was clear from the survey that the reasons for leaving a company may vary with an organization even in the same industry.

Further the author found that all selected companies conduct exit interviews of employees before leaving the job for finding our reason behind such leaving. It was found that the management was interested to retain good employees by improving their terms and condition of pay package within a specific limit.

It was found that retention policy cannot control the employee attrition because all these industries have very good retention policy but in spite of having good retention policy till today nobody from the employee who has left has rejoined. However the company has also the policy to welcome back the Ex-employees. All the selected companies have good training and development policy but there are some problems like non availability of good trainer, budget allocation, etc.

Learning

According to the author an intention to find better career options elsewhere was found the first reason for leaving the job followed by family problem, lack of learning attitude, switching over even for a little hike in salary, and lack of good relations with colleagues. Not even a single employee who has left the organization rejoined it.

15. Dr. K. Balanagagurunathan and Ms V. Vijaylakshmi,

A theoretical Framework of employee retention practices and its impact in Automobile industry in India,

ACADEMIA, An International Multidisciplinary Research Journal, ISSN 2249-7237,

Volume 2, Issue 6,

June 2012 p135-140

Dr.K. Balanagagurunathan and Ms. V. Vijaylakshmi (2012) describes that retaining top talent is the major problem which the automobile industries are facing now a days. It has a direct impact on the company's productivity and turnover. Further the author explained that if the retention rate of any organization is eighty percent then the organization is said to be successful.

However from the past decade the automobile industry has been facing a drastic problem in retaining the top talent. Apart from knowing the negative effect of employee turnover, it seems to be the most inappropriate and undervalued issue.

Further the author describes that the success of an organization depends on talent management, good leadership, good management, potential team with, knowledge, skill, attitude and aptitudes and the technical knowhow of a company. There is a need to retain employees for constant growth and it is a very important duty of an organization to look into the problem of employee attrition seriously.

Though every organization plans its policies and strategies to retain its employees but still there is a need to redesign their policies and make some innovative strategies to reduce employee attrition.

The author explains that ignoring a deserving employee at the time of promotion for a long time and unnoticing employees' achievements demotivate them, reduces their efficiency and the productivity decreases. It leads to high stress among employees.

Dissatisfaction and favoritism are also the causes of employee attrition.

Further the author suggest that the expectation from the employees should be reasonable, there should be no favoritism in an organization.

The top level management should find the problems of dissatisfaction and attrition .They should keep in mind that money is not the only factor for which the employees work but recognition, satisfaction are also important factors for them.

The author describes that there is no particular plan or strategy to curb employee retention completely.

Generally there are some factors which are responsible to stay on in a job. But there are a few factors which affect majority of the employees and these can be reduced to a greater extent by following the some effective strategies.

Learning

The author describes that retaining top talent is the major problem which the automobile industries are facing now a days. Ignoring a deserving employee at the time of promotion for a long time and unnoticing employees' achievements demotivates them, reduces their efficiency resulting in low productivity . It leads to high stress among employees. Dissatisfaction and favoritism are also the causes of employee attrition.

16. Wahab Rabiah Abdul and Noor Faizah Mohd Lajin,

The Relationship between Organizational Factors and Voluntary Turnover in an Automobile Industry,

Mediterranean Journal of Social Sciences,

Volume 3 September 2012,

Wahab Rabiah Abdul and Noor Faizah Mohd Lajin (2012) describe that the purpose of this paper is to examine the relationship between organizational factors which are responsible for voluntary turnover in the automobile industry. A survey was conducted for this purpose. For this research work 100 workers were selected as respondents from the automobile industry. The information was collected by using a questionnaire. The opinion from the hundred respondents was collected about the

reason and factors of voluntary turnover. Questionnaires were distributed among respondents and the opinions from the respondents were easily obtained.

It was found in the survey that out of hundred respondents that have been selected, majority of the females (54.0%) responded to the questionnaire as compared to male (46%). Compensation and benefit, job responsibilities, supervision and peer relationship were found the major reasons for the voluntary turnover in the automobile industry.

Further the author suggests that an organization should look into these factors because these are the factors which push an employee to leave an organization. If it is overlooked it may have negative effects on an organization. Meanwhile, the author recommends that the company needs to develop a career ladder for all employees within the department; training and ongoing education should be given to improve the knowledge skill and attitude of employees. Management should review the compensation and benefit packages and work environment should be improved by an employer.

Learning

The researcher describes that compensation and benefit, job responsibilities, supervision and peer relationship are the factors which lead to voluntary turnover. If these factors are overlooked it may have a negative impact on employees and these are the factors which push an employee to leave an organization.

17. Palmquist Matt,

Walking the Foreigh experience,

Strategy+business, The Global Innovation 1000,

Published by Booz& company,

Issue 69, winter2012.

Palmquist Matt(2012), found that there is a high turnover among the employees who are posted abroad. It came into picture in 2010 when a survey was conducted among one hundred and twelve repatriated employees from one hundred and twenty multinationals in the United Kingdom, United States, Australia and Germany.

It was found in the survey that 38% of repatriate employees quit during their first year of posting abroad. The knowledge and skill of these employees were not recognized as compared to their colleagues without foreign exposure was the major reason of their resignation. It is a major challenge for the organizations in capitalizing on the international experience of these expatriates. These employees leave an organization and join their competitors.

The employees who have returned home from foreign countries were selected as respondents and surveyed. Respondents said that working with foreign culture fundamentally changes the employees, they get a new identity based on their international exposure, skill, knowledge and experience. It makes them feel more competitive and valuable than before. But in spite of their experience and knowledge with foreign companies their skill is not recognized as compared to their colleagues' .Their colleagues enjoy better treatment without having foreign exposure.

Further the author suggests that to reduce the turnover, organizations should take some steps such as these employees should be tied to home based divisions and remain in close communication with the headquarters, recognition should be given to them. Managers should involve them in international strategic planning and operations.

Learning

The author found that was a high turnover rate among the employees who were posted abroad. It was found that lack of recognition for their knowledge and skill was the major reason of employee attrition .These employees were not recognized as compared to their colleagues without foreign exposure.

18. Goswami Brijesh Kishor, Sushmita Jha,

Attrition issues and Retention Challenges of Employees.

International Journal of Scientific & Engineering Research

Volume 3, Issue 4, April 2012.p1-5

The author has described about the various issues and causes related to attrition of employees and the major challenge faced by an organization about how to retain their talented employees. The author reveals that employee attrition is a very serious problem and a bane of every industry .Further the author explains that just acquiring the skilled employees is not enough but to retain them is also a very challenging issue. An organization has to prepare and implement plans and policies in such a way that the skilled workforce should be   retained otherwise losing a knowledgeable, trained and skill employee has direct impact and can cause serious damage to the company's progress and performance.

Not only Indian but   foreign companies are also facing problems in controlling attrition problem especially voluntary individual turnover. The turnover of employees has negative effects on the performance and production. When the employee who is leaving an organization leaves a gap in the execution capability and human resource functioning it results in decrease in productivity, loss of team work, harmony and social goodwill.

Companies are engaged in preparing innovative business models for effective retention of talent .There are many factors which causes attrition and organizations are consciously trying to make such plans which can keep an employee committed.

Further the author suggests that organizations should take care of the attrition problem seriously. It should not be ignored because ignoring an attrition problem is ignoring

the greatest assets of an organization that is its employees. Employees are the most important assets of an organization .They have feelings, hopes, dreams, creativity and innovation hence the management should take attrition problem seriously and take suitable actions to curb it. It is very important to take care of the employees for the success and stability in the domestic as well as the international market.

A good retaining plan reduces the attrition, cost of hiring and developing and at the same time it increases stability, productivity and engages employees emotionally. It also helps in the smooth running of business operations.

Learning

The author reveals that employee attrition is a very serious problem and the bane of every industry .Further the author finds that just acquiring the skilled employees is not enough but to retain them is also a very challenging issue. Plans and policies should be prepared to retain skilled employees and to control attrition for success in the domestic as well as the international market**.**

19. Rao Sabita,

Talent Retention Strategies In a Competitive Environment,

NHRD Journal,

May 2007, P30-32

The author reveals that right salary is essential to attract and retain talent, but argues that there is need for introspection on how HR is hiring, inducting, engaging employees and building employer brand.

The author says that now a day the salary is going up .It is widely reported that salary hikes in India are amongst the highest in the world.14% to 15% increase in salary has been witnessed in the last two years. This still doesn't control attrition. It is seen that the employees who are best performers are also switching their jobs. It is also seen that there is high employee turnover in many departments. Attrition is strongly associated with growth hence organizations are constantly in "procurement mode". It is a vicious circle. Companies cannot focus on "development mode".

Further the author describes that human resource department is a barometer keepers of the climate in the company. Now a day's ready highly qualified people are available but then also they need to be trained because our educational institutes are unable to provide adequate knowledge to them.

Performance management needs to be viewed as a process and not as an event .Most of the employees' looks after at the performance appraisal as a black box .They feel that they are analyzed and promoted or not promoted and self-esteem is built or sometime destroyed. Hence proper care must be taken at the time of performance appraisal and the employees should be informed and properly explained how it is linked with the compensation system.

The author describes that attrition rates are comparatively higher among the junior employee (those who have two years' experience).Those who are constantly in a comparison mode. It was seen that the top performers or the stars are well cared for. These are the core working population. Other employees should be motivated by communication and training.

Further the author describes that the size of an organization matters a lot in attrition and retention. Smaller companies have small number of employees and hence are able to focus personally on individual employee and create their own brand of loyalty. In a large scale especially where project work is done the problems are more and leadership is also a challenge there.

The author concludes that one size or one policy does not fit all the organizations. Organizations should manage their employees through touch points .They are the assets and not the cost. Manage and care for your employees like your customers. Build and nurture your employer brand .It will work magic.

Finding

The author describes that salary hike is essential for attracting employees .However it is seen that after a hike in salary also the best performers leave their organization. Further the author describes that attrition is high among junior employees (who have two years experience) as compared to senior employees.

3.4. Articles from the Internet

1. Bruce M Beizowski, Allan Henderson and Penny Koppinger,

A survey was conducted by Bruce M Beizowski, Allan Henderson and Penny Koppinger in the year 2012 to find out the reason for employee attrition in the automobile industry. The interview method was used to collect the information. The respondents were twenty nine Indian automotive Executives and Experts from government, industry and academia.

This survey was conducted to find the various issues related to the causes of attrition in the automobile industry. According to some of the respondents there is a lack of skilled, qualified and experienced engineers and the quantity and quality of skilled labour are also problematic in the automobile industry. Some executives reported that labour turnover is a big problem for the automobile industry. Better compensation and better working conditions were found the major reasons for shift in the job to rival companies by the employees. One respondent said that "In the auto industry, job changes occur frequently, with about 20 percent attrition rate, 40 to 45 per cent in certain cases.

Learning: The author described that the Automobile industry is facing an attrition problem. Shortage of skilled engineers is the major reason for the attrition and employees shift to the rival companies for better compensation or better working conditions.

2. http://www.financialexpress.Com/news/attrition – rates – high – among-hrprofessionals/197100/

Human resource managers in automobile companies are very important and are expected to play a crucial role in healthy management practices so that it will help to lower the attrition rates, satisfying and retaining competitive workforce. According to industry experts, Automobile industries are now a day's facing one of the highest attrition rates of nearly 70-80 %. Since the last two years the importance of human resource has been understood by the companies and they are trying to plan and implement effective human resource plans and policies in a professional manner in their organizations. Arunima Sharma Sehgal, Head INX executive search says, acute shortage of talent is one of the important reasons for attrition among Human resource professionals. Hence, there is a need to increase the supply of talented, qualified and skilled Human resource professionals in India.

Learning: According to industry experts, Automobile industries are now a day's facing one of the highest attrition rates of nearly 70-80 % . Human resource managers in automobile companies are very important and are expected to play a crucial role in healthy management practices so that it will help to lower the attrition rates . According to experts acute shortage of talent is one of the important reasons for attrition among Human resource professionals.

3. FIALA JOE,
   DRAFT Industry Workforce Development Plan 2011-12
   P 104-105

The Engineering and Automotive Training Council (EATC) has drafted this industry workforce development plan 2011-12(IWDP)on behalf of the automotive and engineering industries in Western Australia (WA)

This report provides an overview of the automotive and engineering industries in Western Australia, and identifies the current and future priority issues; the Engineering and Automotive Training Council is recommending strategies to stakeholders to overcome current and future issues affecting industry.

The Engineering and Automotive Training Council conducted fieldwork methodology for this survey. The information was collected from individuals involved in engineering and automotive activity at the work place .The method adopted was direct interaction and one to one interviews with respondents.

It was found that there is a high attrition rate of apprentices, particularly in the automotive industry. The attrition in automobile industry may be due to the workplace attributes. A large number of automotive businesses in West Australia are owner operated which can lead to issues related to people management.

The automotive industry continues to suffer a high rate of attrition among apprentices. Finding out the area or subject in which students are interested is one way to reduce the attrition issues currently being faced by the automotive sector.(attrition rate is currently at 42% across the various automotive apprenticeships) The study reveals that there are many factors responsible for attrition such as poor pay, lack of perceived career structure, students losing interest in their chosen trade, and comparatively high and attractive salary from other sectors.

Learning

The attrition rate in the automobile industries is continuously high among apprentices. The main reason for attrition is poor pay, lack of perceived career structure and comparatively high and attractive salary from other sectors.

4. **High attrition rate continue to plague services: ASSOCHEM (The associated chambers of commerce and industry of India) Survey,**

Mr. Venugopal Dhoot, President, ASSOCHAM said that human resource is the most valuable asset in modern economy. Upgrading compensation level and reward structure from time to time is not sufficient to retain employees but companies should integrate human resource with the overall corporate growth strategies. Further he said that there is a high attrition problem in functional areas like production, maintenance and safety controls in the automobile industry.

The most challenging problem faced by the companies due to attrition is loss of intellectual property. .It was found in a study that attrition is more in young employees , employees who are in the age group of 26 to 30 years frequently change their jobs and the employees those who have 2 to 4 years of experience are more prone to change their jobs. It is observed during the study that the employees who are in the age group of 39 to 45 years are more stable as compared to the employees in the age group of 26 to 30 years. These employees are more settled as compared to the employees between the age group of 26 to 30 years.

Attrition trend also reveals that attrition among women employees is less as compared to male employees .Female employees are more stable as compared to male employees. For every 10 males jumping the fence by changing the job, there were only 2 females changing their job.

Higher salary package was found the major reason for changing the job in almost all the sectors.

Learning

The author describes that there is a high attrition problem in functional areas like production, maintenance and safety controls in the automobile industry. Attrition trend also reveals that women employees do not change their jobs frequently as compared to male employees. Attrition is more in young employees and higher salary package was found the major reason for changing the job in almost all the sectors.

5. **AHM Shamsuzzoha, Md. Rezaul Hasan Shumon,**

    "Employee turnover –a study of its causes and effects on different industries in Bangladesh".

This research was conducted in the public sector and private sector organizations. The respondents were the top level, middle, lower level management and workers from public and private sector organizations located in Bangladesh.

This survey was conducted to find out the reason for employee turnover, what are the reasons of leaving a job and what are the reasons of staying on in the same organization. It was also found how the employers retain their skilled employees.

The author explains that managing employee attrition is the most crucial task for any organization. In Bangladesh public as well as private sector organizations are facing the problem of employee attrition.

In the government sector employees are satisfied with job security but are not satisfied with salary and benefits whereas in the private sector salary and benefits are high but there is lack of job security. Hence in the government sector low salary and benefits are the main reason of employee attrition whereas in the private sector lack of job security is the prime reason for employee attrition. In the private sector employee attrition is high as compared to the government sector.

Job security at top position, pension, increment and job location were the major reasons for staying in the same organization.

Further the author explains that when a new employee is replaced by an old one who is skilled and an expert in his own field it benefits the company and it is advisable but if he is not an expert then the productivity goes down. When a skilled employee leaves an organization the effects will be very high as compared to a semi or unskilled employee. When 5 or 6 semiskilled employee leaves a job it can be replaced by 1 or 2 skilled employees.

High compensation, standard of increment and medical facilities attract more employees. The author reveals that in the automobile sector low salary is the prominent factor for leaving the job. Irregular payment, improper management and better job options were found the second, third and fourth reasons of turnover.

Hence it is therefore crucial to maintain a constant skilled workforce and reduce the turnover for the betterment of the organization.

Learning

The study reveals that in the Government sector low salary and benefits are the main reasons of employee attrition whereas in the private sector lack of job security is the prime reason for employee attrition. In the private sector employee attrition is high as compared to the government sector.

3.5. Review of Articles from News paper

1. M.D. Rawat ,

Chief Secretary of ASSOCHEM (The associated chambers of commerce and industry of India),

Daily Aaj ka Anand,

17th October 2012, p10.

Many people feel that employees change their job due to better opportunity but it is not true .In a survey conducted by ASSOCHEM (The associated chambers of commerce and industry of India) on 2500 employees it was found that misbehavior by supervisor or boss who is the main reason for leaving their job, means people change their bosses and not the job.70% employee said they leave their jobs because of misbehavior by the supervisor or boss and not because of better opportunity. Most of the employees said that a good industrial atmosphere was more important than salary. It was also found that the employees faced health related problems due to misbehavior by their bosses. M.D. Rawat, Chief Secretary of association said there is greater impact of relationship between employees and their superior on labour turnover or attrition. It was also found that today management, superior and companies environment are the main reasons of labour turnover in an industry. 50% employees said that misbehavior of boss results in low productivity and demotivation among employees.

Learning

In a survey conducted by ASSOCHEM (The associated chambers of commerce and industry of India) on 2500 employees it was found that misbehavior by supervisor or boss was the main reason for leaving their job. Most of the employees said that a good industrial atmosphere was more important than salary.

3.6. Review of Reports

1. Prof. Lichia Yiu, Ed. D, Prof. Raymond Saner, Ph. D.

India Employee Turnover Report,

January 2008,

CSEND (Centre for Socio-Economic development) and

CII (Confederation of Indian Industry) Research Report, 2008,

A Research study conducted by Centre for Socio-Economic development in Partnership with Confederation of Indian Industry.

This study was conducted to identify the level and patterns of labour turnover in India. A total of 151 senior managers' form and executives were selected as sample size. A survey consisting of 28 questions was administered online in October – November 2007.

It was found that employee turnover is 34% in manufacturing industry. There is highest turnover in the employees working between 1 to 4 years. Low Salary, Lack of career advancement, poor relationship with superior, lack of recognition and job content were found the key factors of employee turnover and Lack of training and career opportunities was the least responsible for the employee turnover.

Learning

According to a survey conducted by CII (Confederation of Indian Industry) Low Salary, Lack of career advancement, poor relationship with superior, lack of recognition and job content were found the key factors of employee turnover.

2. Annual Survey Report 2009,

On Recruitment, retention and turnover

Issued: June 2009, Ref: 4848,

Chartered Institute of Personal and Development 2009, p25

This survey was conducted in the public sector, private sector units and nonprofit organizations located in the United Kingdom. The data was gathered from 755 respondents. It was carried out in February and March 2009 and relates to the period

1st June to the 31st December 2008. The data was collected from human resource professionals in public, private and voluntary sectors .It was an online survey and the response rate was7.6percent.

There were three sections, the first was related to resourcing in turbulent times, the second was in sourcing and out sourcing and the third was welfare to work initiatives.

Majority of the respondents (Seventy six percent) said that attracting and recruiting key staff to the organization for achieving the organization's goals and fulfilling the future requirements of the organizations were found the main objectives of their resourcing activities. Lack of specific skills is the main problem in recruitment and the average recruitment cost of filling a vacancy per employee is 4000 pounds.

This report suggests that companies can find out the reasons of voluntary resignations by conducting exit interview.

According to this survey promotion outside the organization (50%), change of career (49%) lack of career development (37%) and redundancy (36%) were found the main reasons for leaving the organization.

The findings suggested that about one fifth of new starters leave the organization within the first six months. It shows that there is a need to find out the real reason behind these voluntary resignations. Most of the organizations reported that they are facing difficulties in retaining the staff specially the managers.

Learning

This report suggests that exit interview can help an organization to find out the reason of employee turnover. According to this survey Promotion outside the organization, change of career, lack of career development, and redundancy were found the main reasons for leaving the organization.

3.7. Review of Speeches

1. Anita Asawalikar, General Manager –Human Resources,

Sandvik Asia Pvt. Ltd,

Guest session on "personal experiences" on 20th October 2012

at Novel Institute of Management Studies,

Chinchwad Pune 411019.

Anita Asawalikar, General Manager –Human Resources, Sandvik Asia Pvt.Ltd , said that attrition in manufacturing is increasing now a days. Employees are shifting towards multinational companies.

There are two important factors for attrition in manufacture industries that are push factor and pull factor .Attractive salary, fringe benefits provided by other company , high designation ,and other benefits etc. are the pull factors of attrition in manufacturing companies whereas Push factors are the poor work environment, bad relationship between superior and subordinates and also among colleagues , misbehavior by bosses, no proper dignity etc are the push factors which are responsible for the attrition rate at top level, middle level as well as the lower level. Further she said that she has seen many people have got jobs due to the big tags of multinationals, and have joined at a senior positions but have left the organization within one year because they failed to perform well

Learning

Anita Asawalikar, General Manager –Human Resources, Sandvik Asia Pvt. Ltd said that there are two factors i.e. pull factors and push factors responsible for the employee attrition in a manufacturing company.

3.8. Research Gap

According to the researcher's knowledge and review of literature it can be seen that no specific study is conducted to find out the attrition problem at managerial level in large scale automobile industries with special reference to the passenger car manufacturing industries in Pune district. Hence a research gap exists which promoted the research student to take up the present research study.

3.9. Conclusion

This chapter covered various issues related to the employee attrition which is described by the researcher. It has confirmed the understanding of the researcher knowledge about employee attrition. The further chapter is devoted to research methodology which is used for this thesis.

CHAPTER 4

RESEARCH METHODOLOGY

4.1. Introduction

4.2. The problem statement

4.3. Aim of the study

4.4. Objectives of the study

4.5. Research questions

4.6. Statement of Hypothesis

4.7. Assumptions of the study

4.8. Research design

4.9. Sources of data

    4.9.1. Source list

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4.10. Collection of Data

    4.10.1. Primary data-

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4.11. Scope of research

4.12. Population and selection of sample

4.13. Sampling Method

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4.15. Statistical tools used for analysis of data

4.16. Limitations of the study

4.17. Conclusion

CHAPTER 4
RESEARCH METHODOLOGY

4.1. Introduction:

Research Methodology is a primary need of any research and plays a pivotal role in it. It is a blue print of a research. Hence planning of a research work in advance is done to carry out this research work systematically.

In this chapter the researcher has described the research methodology used for this thesis. This chapter gives detailed information about the objectives of the study, hypotheses, scope of the study, research design, research methods that are used, selection of samples, details about collection of primary and secondary data used for this thesis.

The topic for the research study approved by Tilak Maharashtra Vidyapeeth is "A Study of Attrition Problem in Select Large Scale Automobile Industries in and around Pune 2008-2012"

Note: The researcher has covered most of the passenger car manufacturing Automobile Industries located in Pune District.

4.2. The problem statement

The Automobile sector is called as a sunrise sector of India. The success of an organization depends on stable and competitive work force. There are many problems of Automobile industries such as absenteeism, trade unionism, employee attrition, retention of skilled employees etc. It can be seen from the Government reports and review of literature that employee attrition is one of the major problems faced by the automobile industries. It hampers the flow of production, quality of product, spoils image and development and growth of an organization. Large amount of funds spent on recruitment, interview, training and development of an employee. When an employee leaves an organization it is a big loss for an organization because the cost involved in these activities are also lost .They also carry tacit knowledge, secrets, plans and strategies with them which are useful for the competitors. Hence finding out

the root cause of employee attrition is very important for the success of an organization.

4.3. Aim of the study

This researcher keeps the fact in mind that the employment scenario is constantly changing day by day and upcoming with new plans and policies to reduce attrition by retaining talented employees because these employees are one of the sources to gain a competitive advantage. Now a days it has become very important for an industry to come out from its old traditional shell and get a vast picture of the changing environment , to identify the current gaps , the problems and to fill up these gaps.

The study aims at identifying key issues in the area of attrition problem at the managerial level in the automobile industry particularly in the car manufacturing companies in Pune and to get an inner view of the problems of managers and recommend solutions accordingly. Thus it becomes very significant for an industry to find out ways and means to reduce attrition at the managerial level.

4.4. Objectives of the study

- To study the present status of employee attrition at managerial level in the automobile industry with special reference to Passenger car manufacturing companies in and around Pune district.
- To know the issues related to employee attrition among the top, middle and lower level managers in passenger car manufacturing companies.
- To give suggestions and recommendations to organizations to control their attrition rate.
- To test the hypothesis stated below.

4.5. Research questions

This research will investigate the causes of employee attrition in passenger car manufacturing automobile companies in and around Pune city.

This research aims to answer the following research questions

- What is the present status of employee attrition at managerial level in automobile industries in Pune district with special reference to passenger car manufacturing industries?

- What are the factors responsible for attrition of employees at managerial level in automobile industries in Pune district?
- How can employee attrition at the managerial level be most effectively mitigated?

4.6. Statement of Hypothesis

This study is conducted to test the following hypothesis:

1. H_0 : There is no difference in the importance attached to the causes of employee attrition.

   H_1 : There is a significant difference in the importance attached to the causes of employee attrition.

2. H_0 : There is no relationship between Performance Appraisal and employee attrition.

   H_1 : There is a significant relationship between Performance Appraisal and employee attrition

3. H_0 : Organization culture factors do not influence employee attrition.

   H_1 : At least one of the factors of organizational culture has significant impact on employee attrition.

4.7. Assumptions of the study
- All selected companies have their separate retention policy.
- All selected companies take efforts for reducing attrition.

4.8. Research Design

The present study is a 'descriptive research'. It is an empirical study. The researcher collected information from the respondents for fulfilling the objectives of the study and test the hypothesis. Data is collected by using questionnaire and conducting personal interviews with managers of passenger car manufacturing industries. The collected data is systematically tabulated, analyzed and presented in a systematic way.

Justification

Descriptive research studies are those studies which are concerned with describing the characteristics of a particular or a group. The researcher has described the reason and

effects of attrition in the automobile industry in and around Pune. Descriptive research includes survey using a questionnaire and fact finding methods of different kinds. The major purpose of descriptive research is to give a description of the state of affairs as it exists at the time of the survey.[1]

4.9. Sources of data

4.9.1. Source List:

Names of the companies are collected from the Maratha Chamber of Commerce and through internet.

Justification: Maratha Chamber of Commerce industries and agriculture Pune and District Industrial centre is the source from where the researcher has collected the list of automobile companies located in and around Pune District. Names of the companies are also collected from the internet.

4.9.2. Tools of collecting information

Tools for collecting the information are questionnaire and personal interviews.

This study is carried out for finding out the attrition among managers in passenger car manufacturing automobile industries in and around Pune district.

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1. *Kothari,C.R.,(2008) Research Methodology ,Methods and Techniques, ,New age international publishers, New Delhi 110002,p.184.*

4.10. Collection of Data

The primary and secondary data required for the study is collected systematically.

__Sources of Data__

Primary data	Secondary data
(I) Questionnire: **A)Pilot Survey** **B) Main Survey** Questionnire was divided in following sections a. Personal information b. Current trend of attrition in automobile industry in Pune District. c. Training and development d .Performance appraisal e. Retention policy and exit interview f.Causes of attrition g. Compensation h. Organizational culture (II)Personal Interviews a)During survey b) findings Post Survey	Reference books. Articles form Journals, Newspapers and magazines. Reports of Automobile Association of India Government Publications. Different Automobile companies' websites

Table 4.1: Sources of data

4.10.1. Primary data-

Primary data is collected through questionnaire –a structured questionnaire is prepared consisting of closed ended and open ended questions, personal Interviews of managers are conducted by the researcher for collecting the information.

- Questionnaire
- Personal interview

4.10.2. Research Questionnaire:

Pilot study -16 questions

After conducting pilot study the researcher could observe that to give justification to the objectives and hypothesis framed there was a necessity to include more questions/areas/points in the questionnaire which can certainly result into appropriate conclusion.

Main study -48 questions

A structured questionnaire was constructed for the main survey consisting of 48 questions. The questionnaire consists of 28 binary questions,10 multiple questions,5 rating scale and 5 open ended questions.

Sections

The questionnaire was divided into following sections .Such as

a. Personal information
b. Current trend of attrition in automobile industry in and around Pune
c. Training and development
d. Performance appraisal
e. Retention policy and exit interview
f. Causes of Attrition
g. Compensation
h. Organizational culture

4.10.3. Secondary data

The secondary data has already been collected by someone else and which have already been passed through the statistical process.

Secondary data is collected from:

- Different Automobile companies' websites.
- Reference books.
- Articles form Journals, Newspapers and magazines.
- Reports of Automobile Association of India.
- Government Publications.
- Statistics collected from various sources.
- Internet.

4.11. Scope of research

Based on the review of literature as well as the other study already made by different organizations and researchers, the researcher observed that taking into account the recent growth of passenger car manufacturing automobile companies in Pune district like Tata Motors, General Motors, Mercedes benz etc. which resulted into recruiting more management graduates as well as engineers at different levels of management cadre in these companies. Due to more attractive pay hike and other factors in the competitive companies the attrition at management level is higher as compared to attrition at the workers level during last 5 years in these companies.

a) Geographical Scope:

The area selected for research is six passenger car manufacturing automobile industries situated in Pune district.

b) Conceptual scope

The study emphasizes on finding out attrition at all three levels (Top level, middle level and lower level managers) in six selected automobile companies. Based on the objectives and review of literature the researcher decided to focus only on attrition problems relating to managerial level.

4.12.   Population and Sample

Sample unit for this study-

Only Manages consisting of top level, middle level and lower level
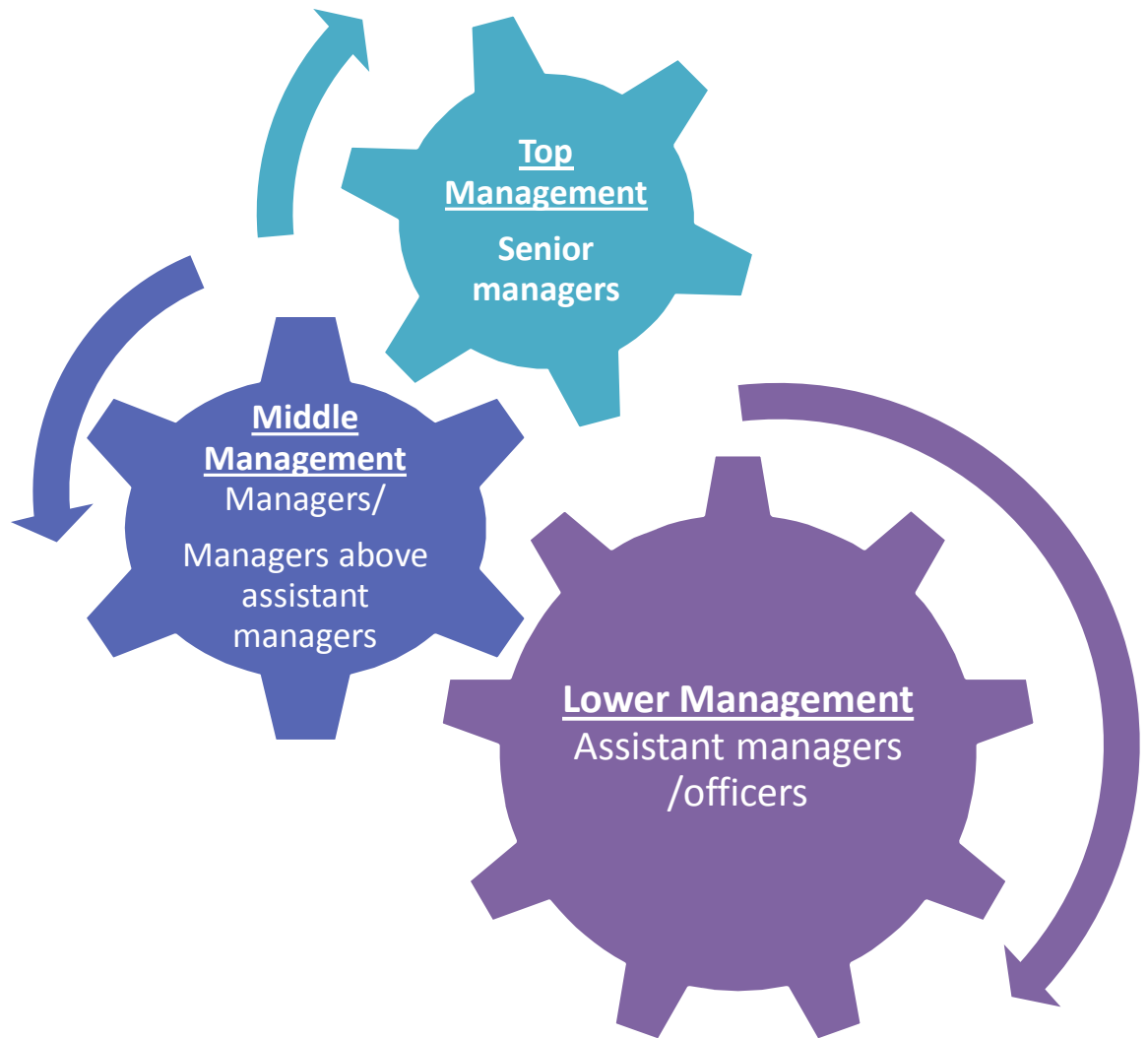
Figure 4.1 Sample units for this study.

Selection of samples

Sample size was determined by using mean method.

Since measurement of the variables were measured by using interval scale (1=not at all, 2= little extent, 4=neutral, 4= to some extent, 5= to great extent)

Population

Population for the study was all managers of car manufacturing automobile companies in and around Pune. Thus managers were classified in three groups consisting of Top level, middle level, and lower level managers.

Based on the information collected from the industries, top level accounts for the 10% of the total population, middle level accounts for the 44.7% of the total population and lower level accounts for the 44.7 % of the total population.

Sample size was determined by mean method .

Formula for sample size determination:-

$$n = \frac{(z^2 \times s^2)}{e^2}$$

Where z is the standard score associated with chosen level of confidence (95% in the current case) = 1.96

S is the variability in the data set.

S was computed as a ratio of range derived from the scale upon standard deviation.

Hence S= 5-1/6=4/6=0.666

E is the tolerable error.

7% in the current case .Hence

$$n = \frac{(z^2 \times s^2)}{e^2}$$

$$= \frac{(1.96^2 \times 0.66^2)}{0.07^2}$$

$$= (3.84)(0.435)/0.0049$$

$$= 1.67/0.0049$$

$$= 341$$

Population size was 2664.The sample size computed using sample size determination formula produced a square size 3.41.Since 341 is larger than 5% of the population, the population is treated as small population hence finite population correction factor is used to determine the final sample size us using the following formula:

$$341 \times \sqrt{\frac{N-n}{N-1}}$$

$$341 \times \sqrt{2664 - 341/2663}$$

$$341 \times \sqrt{0.87}$$

$$= 0.93 \times 341$$

$$= 318$$

However the researcher covered the more number of managers so as to have maximum coverage. It is 12.75% of the total population.

Total 335 respondents were selected (consisting of 150 lower level managers, 150 middle level and 35 top level managers) from six passenger car manufacturing automobile companies for this study.

4.13. Specify the Sampling Method
Sampling method
For this study **Probability sampling method** is used.

Justification
Probability sampling is also known as random sampling .Under this sampling design, every item of universe has an equal chance of inclusion in the sample.

4.14. Research Period
The period of research is from November 2011 to May 2014.

4.15. Statistical tools used for analysis of data Statistical tools used for analysis of data

The tools used for the analysis of collected data are done by Friedman chi square test, Sign Binomial test and by usiing SPSS software version 20.

4.16. Limitation of the study.

Since the topic for this research is sensitive one there is a possibility or chance about reliability of the 100 % authenticity in replies of few respondents.

4.17. Conclusion

In this chapter the researcher has focused on research methodology used for this thesis. After deciding the research methodology systematically, the researcher visited all the selected automobile companies and collected the data. Raw data is tabulated and systematically represented in the next chapter with the detail interpretation.

CHAPTER -5
ANALYSIS AND INTERPRETATION

5.1. Introduction

5.2. Analysis and interpretation of Pilot survey

5.3. Analysis and interpretation of main survey

5.4. Analysis and interpretation of Interviews
    5.4.1.   Pre survey interviews
    5.4.2.   Post survey interviews

5.5. Testing of Hypothesis

5.6. Conclusion

CHAPTER -5
ANALYSIS AND INTERPRETATION

5.1. Introduction

In this chapter, the researcher has analyzed the collected data to get a deeper knowledge about the issues related to employee attrition at the managerial level in the companies chosen for this research. The collected data is tabulated, interpreted and analyzed systematically.

The researcher has collected quantitative and qualitative type of data on various aspects on employee attrition in passenger car manufacturing automobile companies. The data is collected through pilot study, main questionnaire and interviews during survey and after survey. Descriptive type of research is used for this study.

The Data has been collected from six selected car manufacturing automobile companies located in Pune district. Total 335 respondents were selected for this study including 150 lower level managers, 150 middle level managers and 35 top level managers.

In this chapter data analysis of the pilot study is done initially and then the data analysis of main survey and interviews is done. In the pilot study questionnaire , there were 16 questions framed which covered issues related to training, personal appraisal, opinion about employer and causes of employee attrition.

A structured questionnaire was constructed for the main survey consisting of 48 questions. It consists of 28 binary questions,10 multiple questions,5 rating scale and 5 open ended questions.

The main questionnaire covering the following parameters:-

a) Personal information

b) Current trend of attrition in automobile industry in and around Pune

c) Training and development

d) Performance appraisal

e) Retention policy and exit interview

f) Causes of attrition

g) Compensation

h) Organizational culture

5.2. ANALYSIS OF PILOT STUDY

Before conducting the main survey a pilot study was conducted to find out the reasons of attrition through a questionnaire.

Total 30 respondents were selected randomly. The collected data is tabulated and analyzed and the findings are explained as follows.

Objectives of the Pilot study

1. To understand the prominent causes of employee attrition in passenger car manufacturing industry.
2. To check the questionnaire.

Q1. What is your age?

	Frequency	Percent
Below 30 years	03	10
30 to 40 years	26	87
above 40 years	01	03
Total	30	100

Table 5a-Age of the respondents
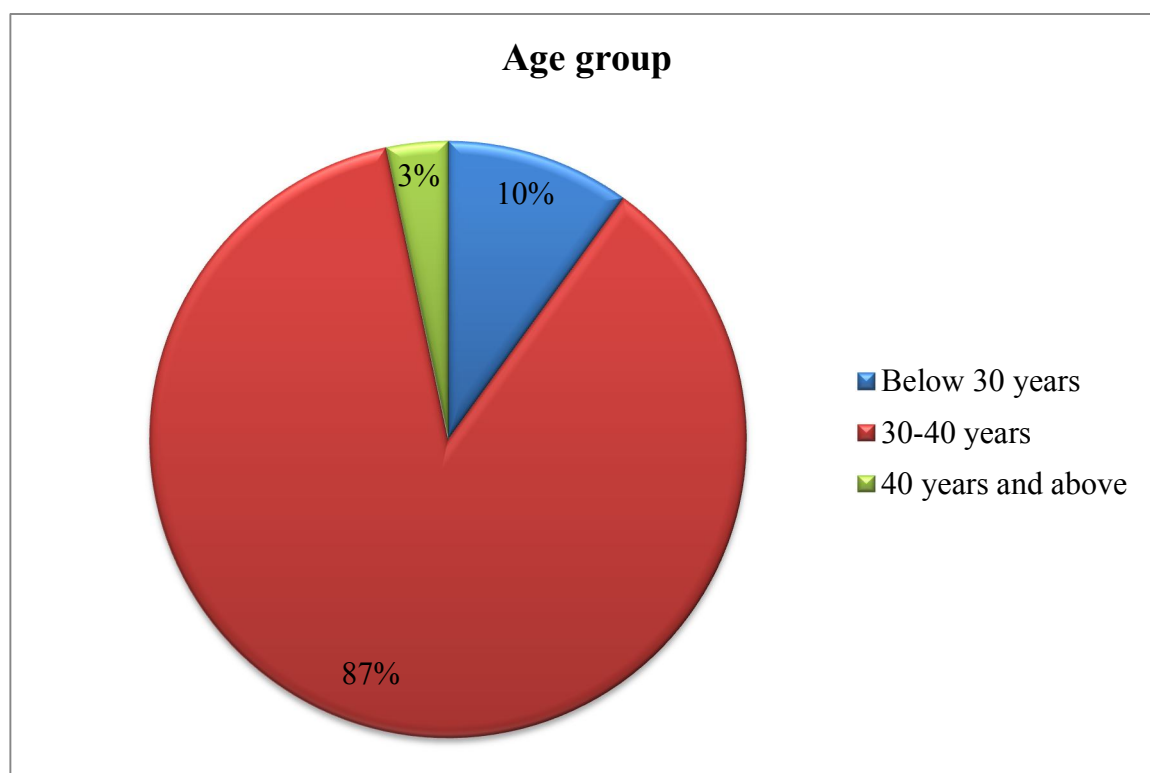
Diagram 5a- Age of the respondents

Analysis

It can be seen from the above table that major number of respondents (87%) is between the age group 30-40 years, 10% respondents are below 30 years and 3 % respondents are above 40 years of their age

Interpretation- Most of the respondents are between 30-40 years of age.

Analysis and interpretation of question number 2.

All respondents under the study are male.

Q3. What is your marital status?

	Frequency	Percent
Married	27	90
Unmarried	03	10
Total	30	100

Table 5 b: Marital status of the respondents
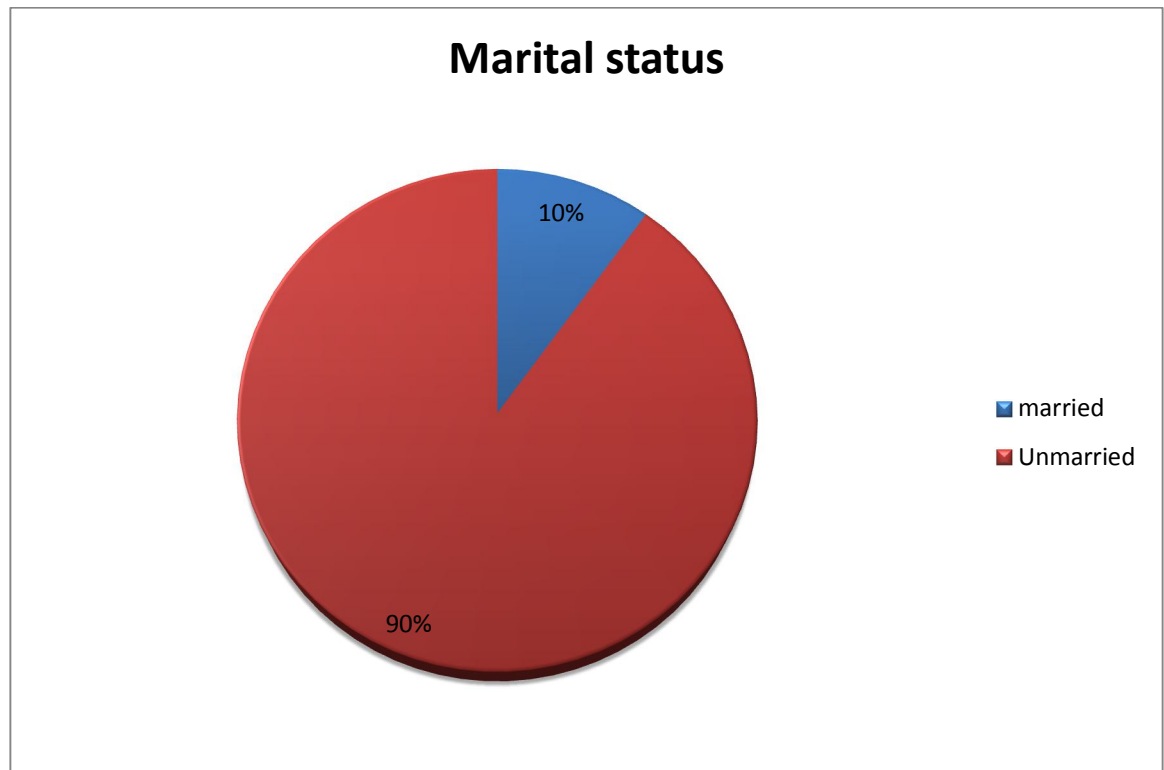
Figure 5b: Marital status of the respondents

Analysis:

It can be seen from the above table that most of the employees (90%) are married and 10% are unmarried.

Interpretation - Most of the respondents are married.

Q4.For how long have you been employed in this organization?

	Frequency	Percent
less than a year	2	7
1 to 5 years	25	83
5 to 10 years	3	10
more than 10 years	0	0
Total	**30**	**100**

Table 5c: Association of respondents with company
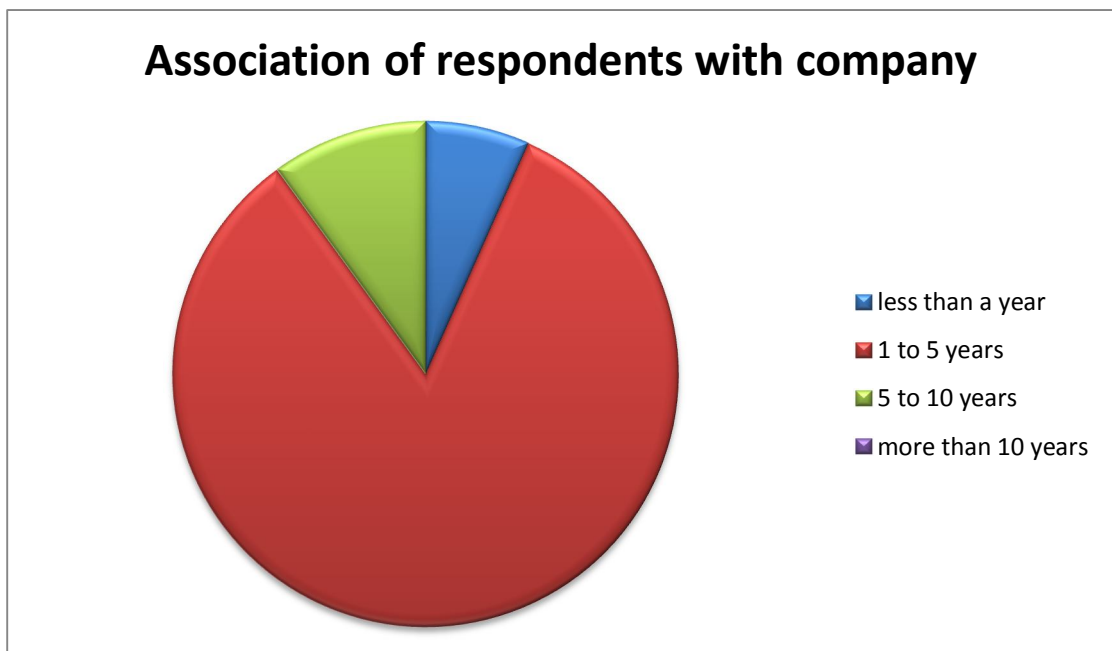
Figure 5c: Association of respondents with company

Analysis

From the above table it can be seen that 83% of the respondents are working in the current organization for one to five years followed by 10% working for 5 to 10 years, 7 % are working less than 1 year and not even single employee is working for more than 10 years.

Interpretation- Majority of the respondents are working between 1 to 5 years

Q5. At which level attrition ishigh?

Levels of management	Frequency	Percentage
Lower management	19	63.33
Middle Management	07	23.33
Top management	04	13.33

Table5d: Attrition at various levels in the organization
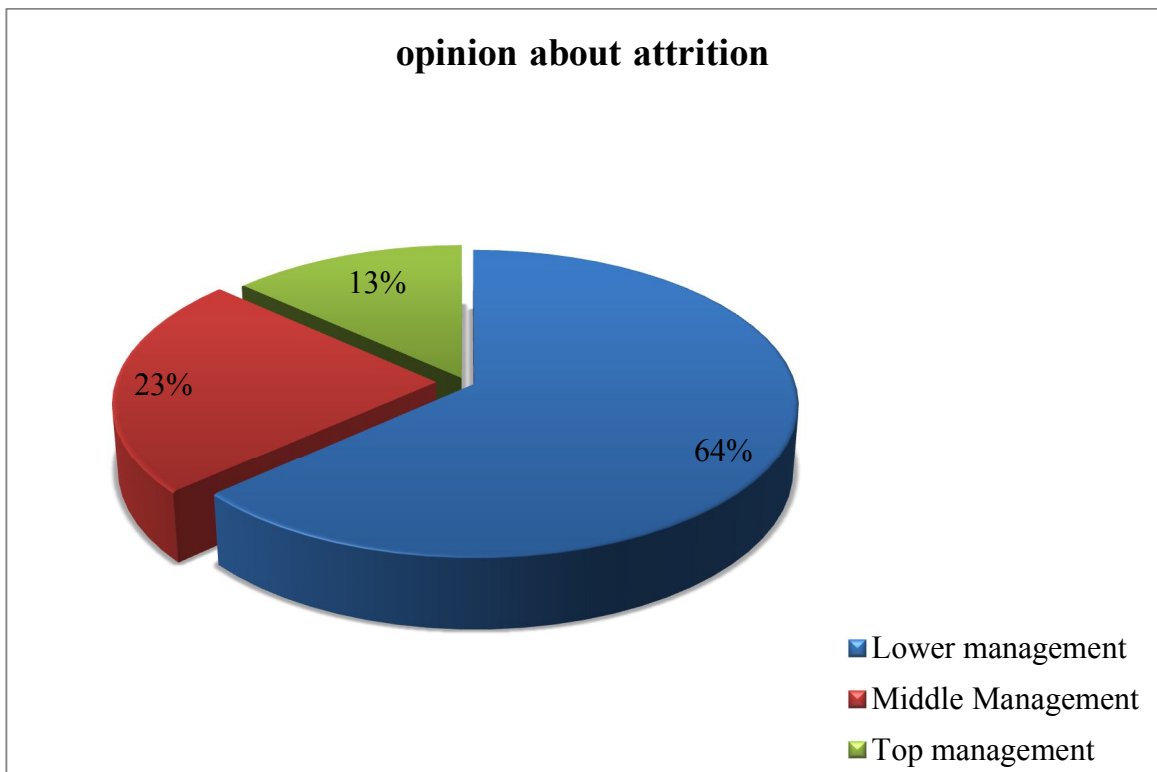
Table5d: Attrition at various levels in the organization

Analysis

It can be seen from the above table and diagram that attrition is high at lower level management (63.33%) ,followed by middle level management (23.33%)and low in top level management (13.33%).

Interpretation: Most of the respondents said that attrition is high at lower level management.

Q6. What is the culture of your organization?

S. No	Statements	Strongly satisfied %	Satisfied %	Neutral %	Dissatisfied %	Strongly dissatisfied %
a	Satisfaction with working condition	30.00	40.00	10.00	13.33	6.67
b	Participative culture for decision making	13.30	20.00	6.67	26.67	33.33
c	Empowerment by senior	10.00	16.67	3.33	20.00	50.00
d	Equal treatment by seniors	6.67	13.33	6.67	56.67	16.67

Table 5e: Culture of the organization

Analysis

It can be seen from the above table data that 73.34 % are dissatisfied with equal and fair treatment by their superior, 70 % are dissatisfied with empowerment by seniors, 60 % are dissatisfied with participative culture and decision making whereas 70% of the employees are satisfied with working conditions.

Interpretation- Most of the employees are dissatisfied with equal treatment by superior, empowerment by seniors , participative culture for decision making whereas most of the employees are satisfied with working conditions.

Interpretation of Q7 a. All most all the companies under research are providing training to all employees.

Q7 b. Are you satisfied with the training and development programmes?

Satisfaction with training and development program	Frequency	Percentage
Strongly satisfied	9	30.0
Satisfied	5	16.7
Neutral	4	13.3
Dissatisfied	8	26.7
Strongly dissatisfied	4	13.3
Total	**30**	**100**

Table 5f: Satisfaction with training and development programmes.
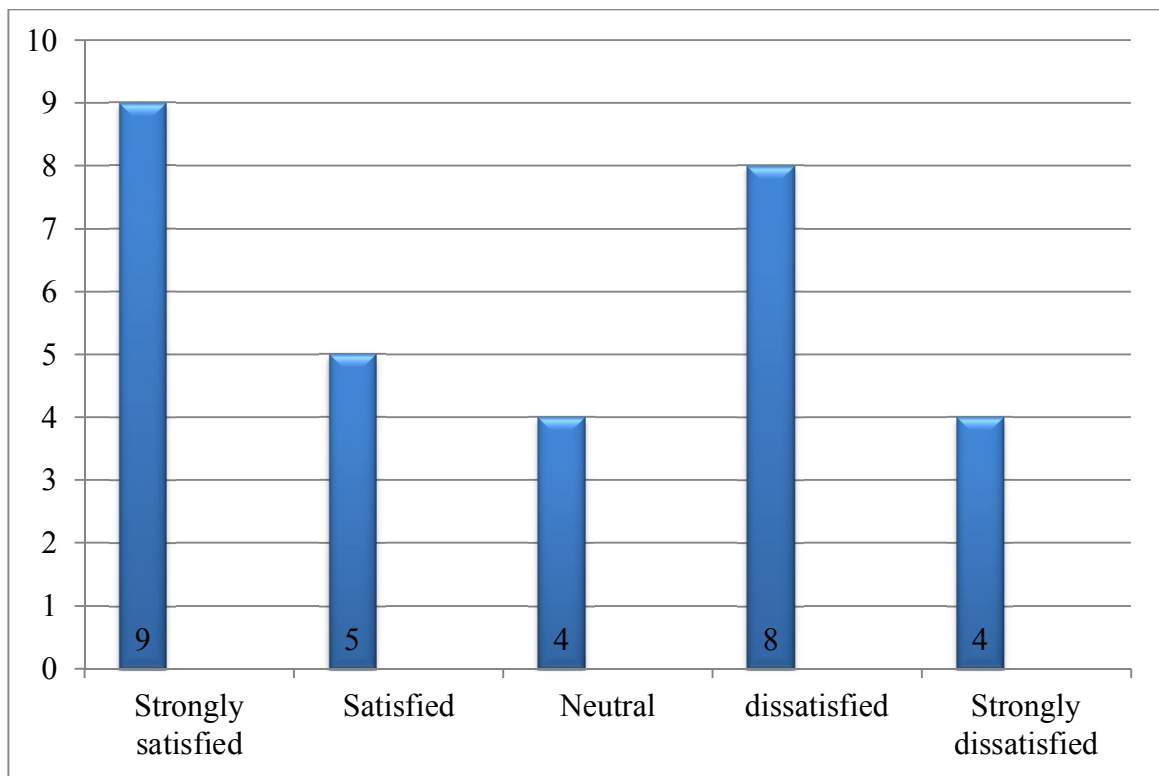
Figure 5e: Satisfaction level with training and development programmes.

Analysis

It can be seen from the above table that 40% respondents are dissatisfied with training program whereas 46.7 % respondents are satisfied with it and 13.3% of them are neutral.

Interpretation - There is mixed opinions about satisfaction level with training and development programs.

Q8. . What is your opinion about quality of training program on attrition?

Question	Yes	%	NO	%
Attrition increases due to poor quality of training	16	53	14	47

Table5g: Training and attrition
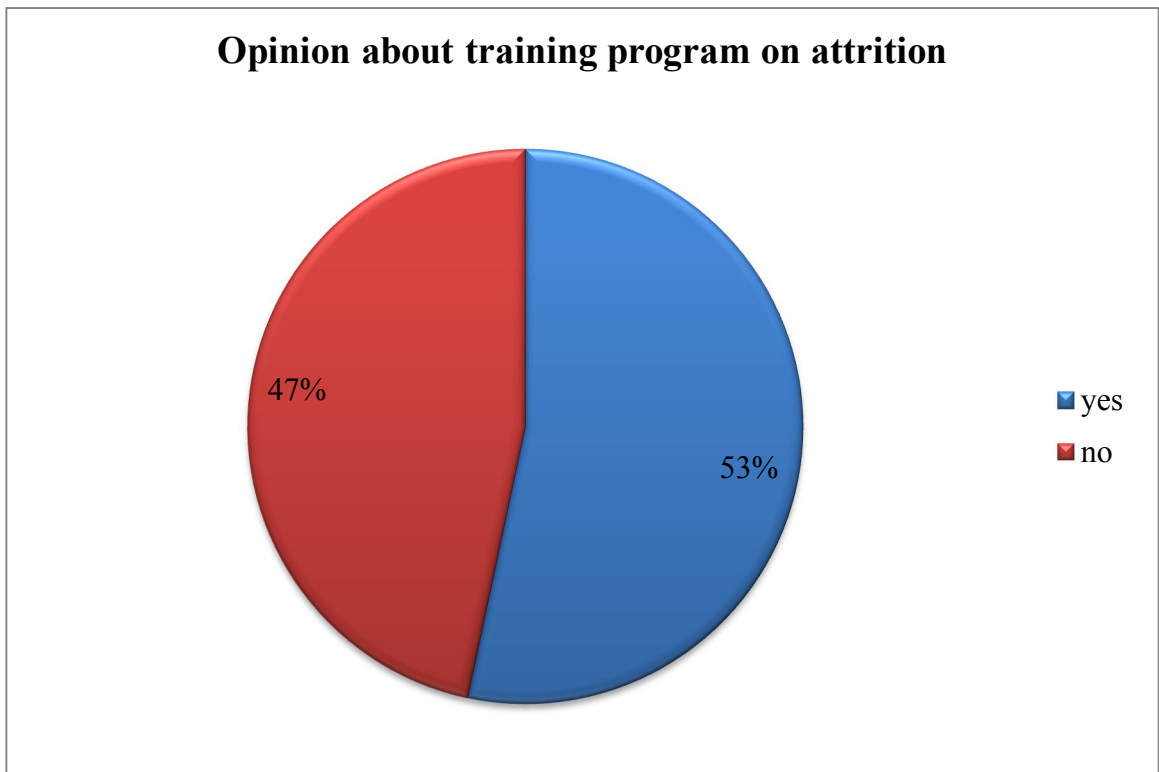
Figure5f: Training and attrition

Analysis

It can be seen from the above table that 53% respondents said that attrition increases due to poor quality of training whereas 47% of the respondents said that attrition does not increase due to poor quality of training.

Interpretation- There is mixed opinion about the quality of training and development program and employee attrition.

Q9.What is your opinion about the culture of performance appraisal in your organization?

Particulars	Frequency	Percentage
Periodic Ritual	04	13
Fault Finding Mechanism	21	70
Developmental Tool	05	17
Total	30	100

Table5h: Culture of performance appraisal
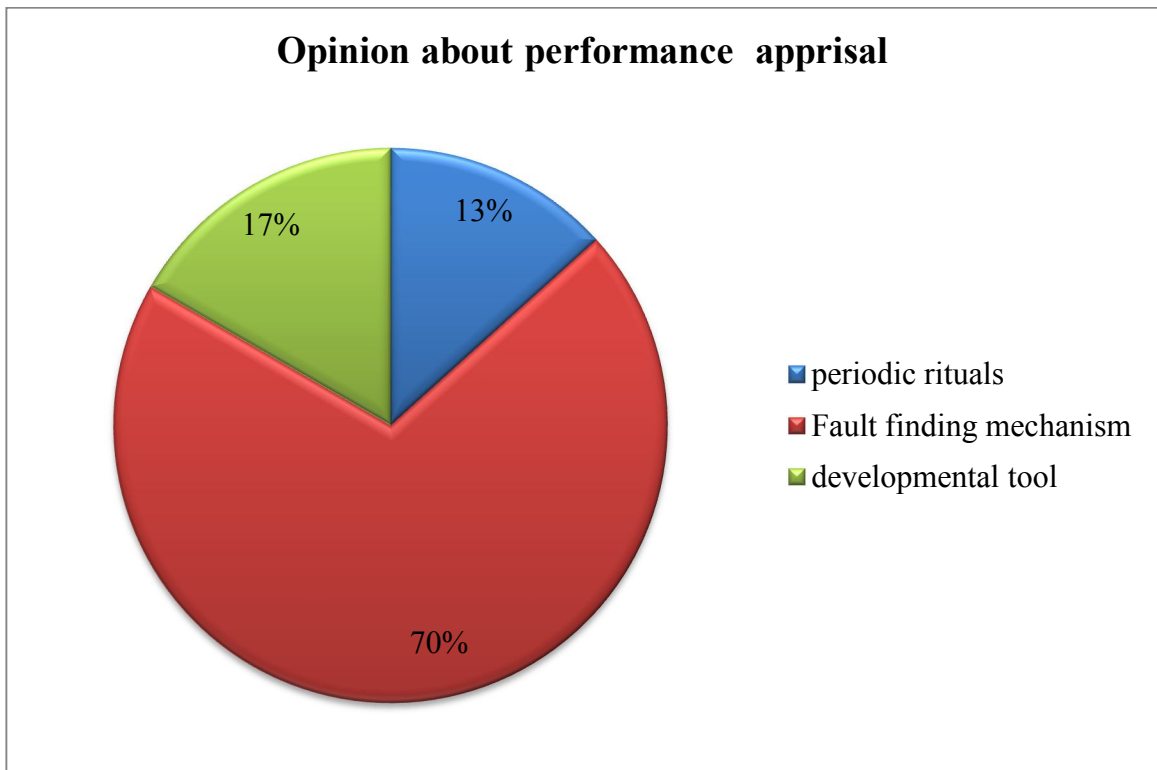
Figure 5g: Culture of performance appraisal

Analysis

It can be seen from the above table that 70% respondents said that performance appraisal is a fault finding mechanism, 17 % respondents said that it is a developmental tool for us and 13% said it is a periodic ritual.

Interpretation - Most of the respondents said that performance appraisal is a fault finding mechanism

Q10. What is your general emotion after performance appraisal?

Particulars	Frequency	Percentage
increase in morale and motivation	07	23
decrease in morale and motivation	21	70
apathetic stand	02	07
Total	**30**	**100**

Table 5i: General emotion after performance appraisal
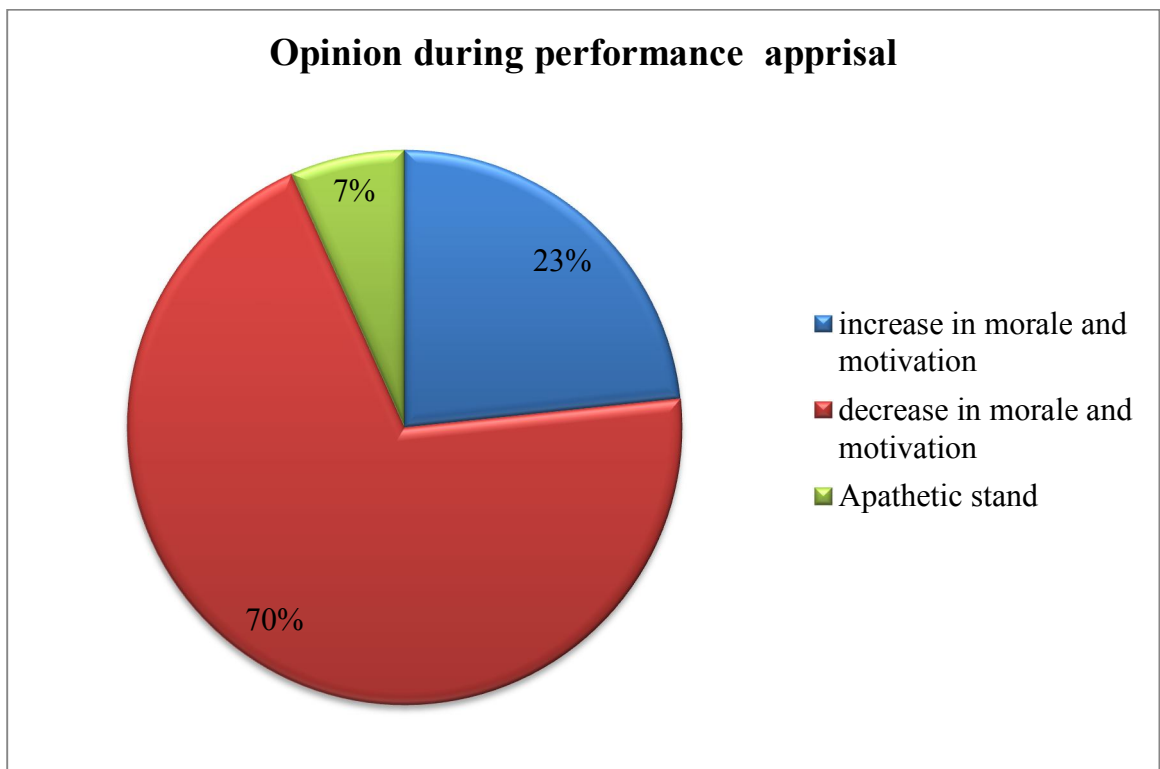
Figure 5h: General opinion after performance appraisal

Analysis

It can be seen from the above table that 70 % of employees said that their morale and motivation decreases after performance appraisal, 23 % said that their morale and motivation increases and 7 % said it is an apathetic stand for them.

Interpretation - Majority of the respondents said that the moral and motivation decreases after performance appraisal.

Q11. Does attrition increases after performance appraisal ?

Attrition increases after performance appraisal	Frequency	Percentage
Yes	23	77
No	07	23

Table 5j: Performance Appraisal and attrition
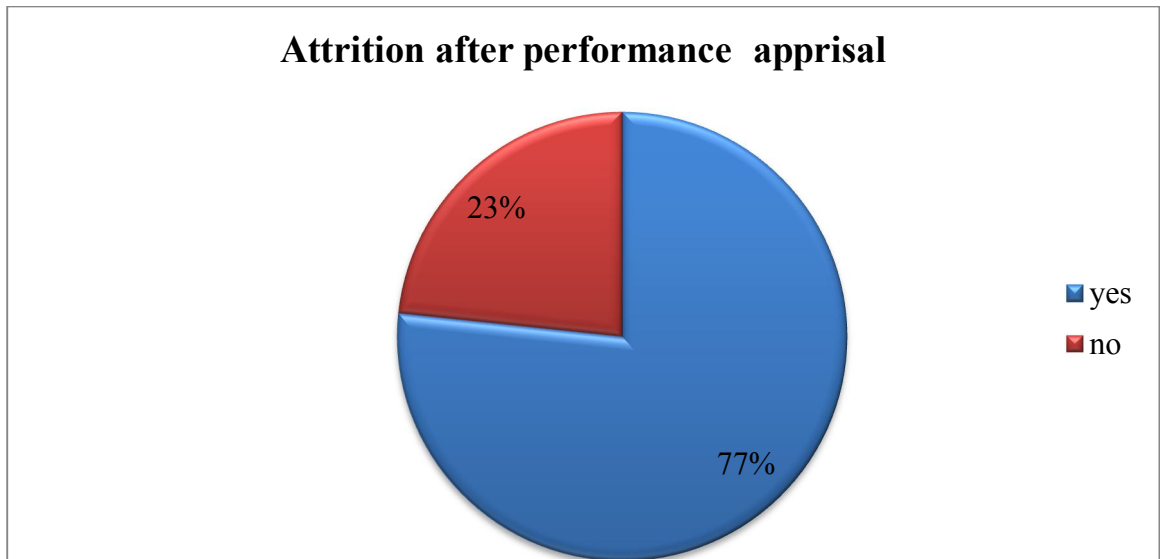
Figure 5i : Performance appraisal and attrition.

Analysis

It can be seen from the above table that most of the employees (77%) said that attrition increases after performance appraisal whereas 23% said that it did not have any impact on attrition.

Interpretation

Most of the respondents said attrition increases after performance appraisal

The analysis and interpretation of question number 7 indicates that majority of the respondents opined that performance appraisal is a fault finding mechanism and analysis and interpretation of question number 8 indicates that majority of the employees opined   morale and motivation decreases after performance appraisal

Analysis and interpretation of this question is a direct reflection of analysis and interpretation questions 7 and 8.

Q12. Do you have a system of exit interview?

Do you have system of exit interview	Frequency	Percentage
Yes	24	80
No	06	20

5k: Exit interview

Exit interview in company
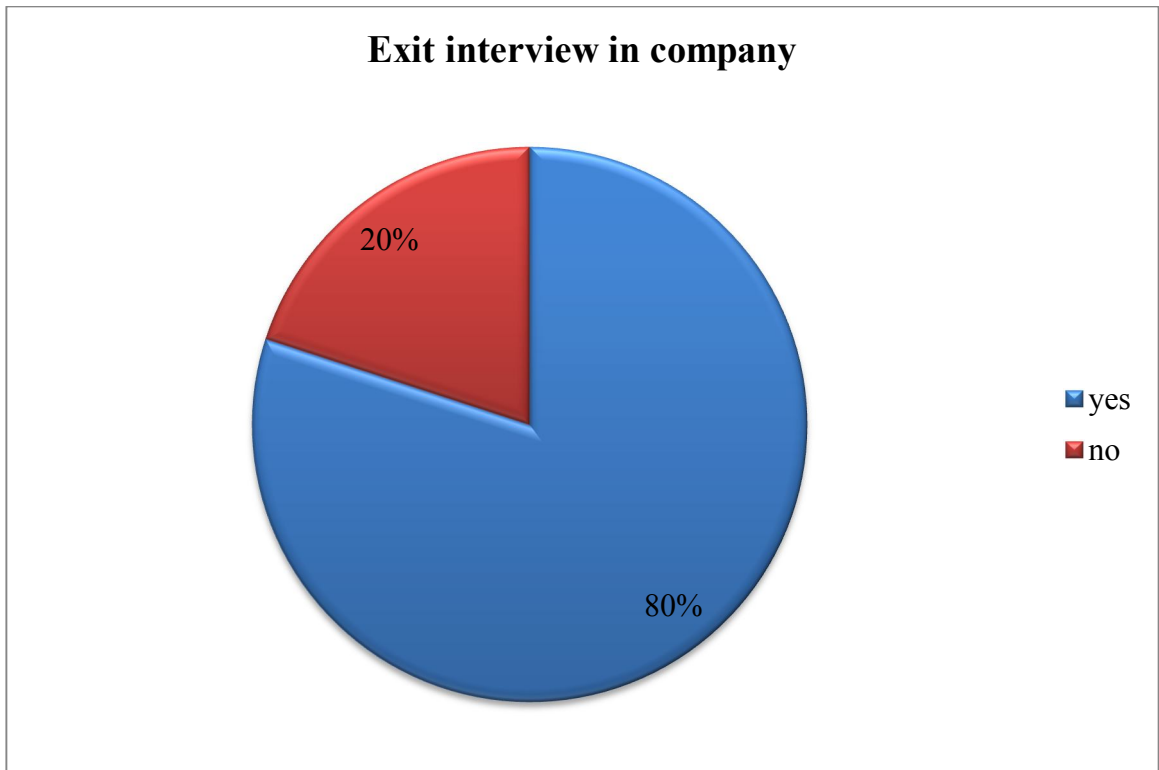
5g: Exit interview

Analysis

It can be seen from the above table that 80% of employees said they have system of exit interview in their company and 20 % said that there is no exit interview in their organization.

Interpretation – Most of the respondents said they have system of exit interview in their organization.

Q 13. Does exit interview help to reduces attrition?

Exit interview helps to reduce attrition	Frequency	Percentage
Yes	19	63
No	11	37
Total	**30**	**100**

Table 5 l: .Exit interview and attrition
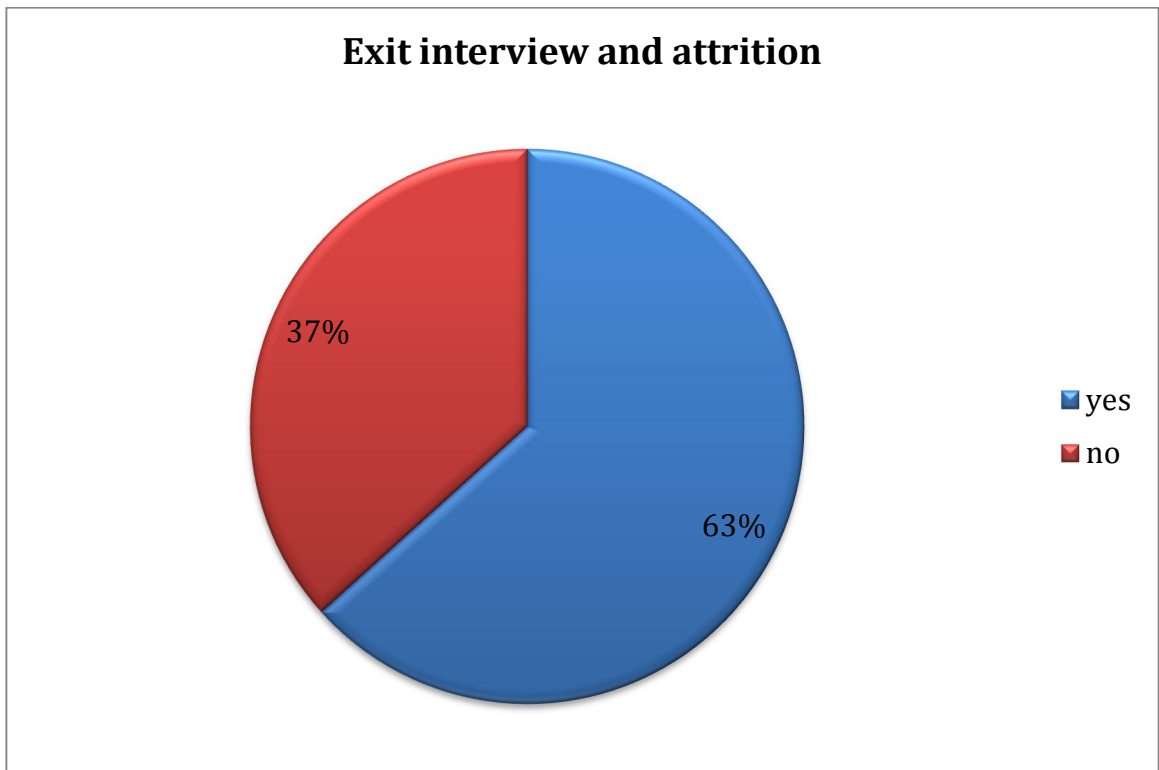
Table 5k: .Exit interview and attrition

Analysis

It can be seen from the above table that 63% of employees said that exit interview help to control attrition whereas 37% employees said it does not help to reduce attrition.

Interpretation - Most of the respondents said that exit interview help to reduce attrition.

Q14. According to your opinion what are the prominent causes of attrition?

Sr. No	Reasons for attrition (leaving the job)	Frequency	Percentage
1.	Dissatisfaction With the company	05	17
2.	Poor relationship with immediate boss	10	34
3.	Poor relationship with colleagues	02	07
4.	Insufficient salary package and financial rewards	07	23
5.	Lack of Career opportunity	04	13
6.	Lack of training and development	01	03
7.	Lack of employee benefits	01	03
8.	Total	30	100

Table 5m: Causes of attrition
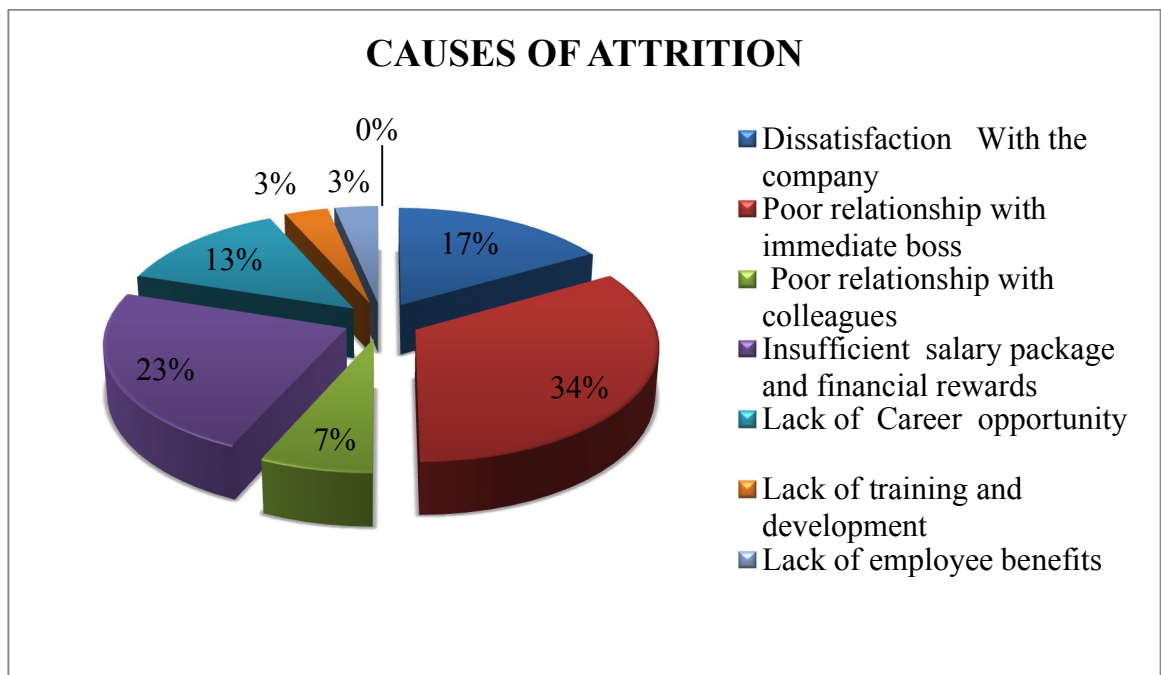
Table 5l: Causes of attrition

Analysis

It can be seen from the above table and figure that 34% of the employees said that poor relationship with the immediate boss, 23% said lack of good salary and rewards ,17 % said dissatisfaction with company in general , 13% said that lack of career opportunity, 7 % said poor relationship with colleagues and 3% said lack of

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training and development and 3% said lack of employee benefits are the prominent causes of attrition.

Interpretation - Poor relationship with the immediate boss, lack of good salary and rewards , dissatisfaction with the company in general and lack of career opportunities are the prominent causes of employee attrition.

Q15. What is your impression about the employer?

Impression about the employer	Frequency	percentage
model employer	12	40
impersonal employer	10	33
just an employer	08	27
Total	**30**	**100**

Table 5n: Impression about employer
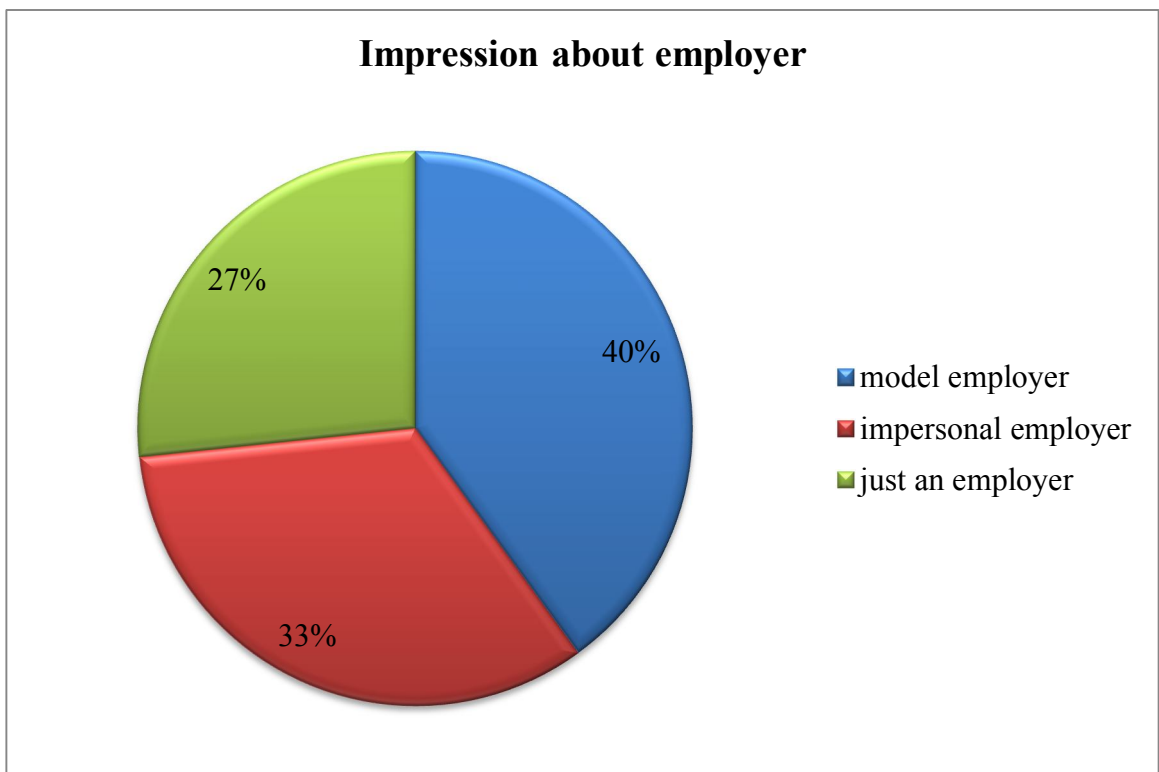
Table 5m : Impression about employer

Analysis

It can be seen from the above table and pie chart that 40% employees said that their employer is a model employer, 33% said that impersonal employer and 27% said that their employer is just an employer.

Interpretation - Most of the employees said that their employer is a model employer.

Q 16.What is your opinion about staff as an employee?

Impression about the employer	Frequency	Percentage
Generally responsible	08	27
Generally cooperative	09	30
Nothing special	13	43
Total	**30**	**100**

Table 5o Staff as employee
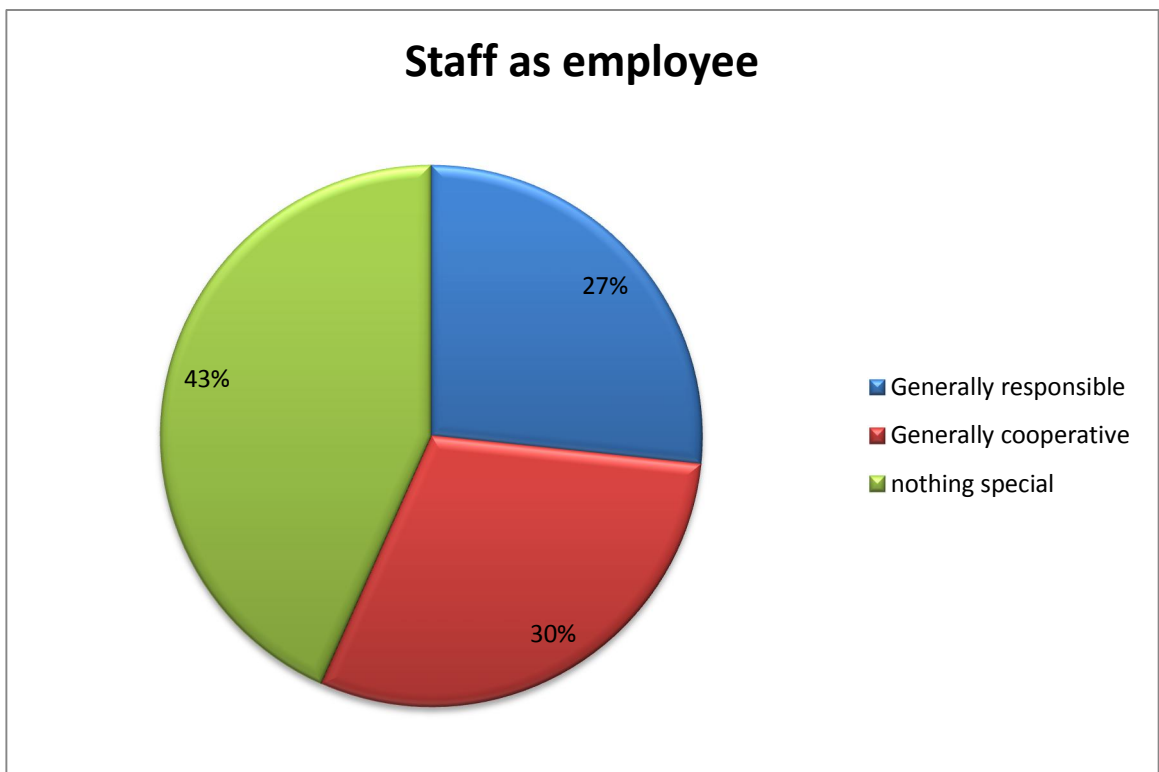
Figure 5 m : staff as employee

Analysis

43%of respondents said that their nothing special about their staff, 30% said their staff is generally cooperative and 27% said that there staff is responsible staff.

Interpretation - Most of the employees said that there is nothing special about their staff.

MAJOR FINDINGS AND CONCLUSION

1. Majority of the respondents (87%) are between 30-40 years of age, 10% are below 30 years and 3 % are above 40 years.

2. 90 % of the respondents are married and 83% are working in the current organization from1to 5 years.

3. Most of the respondents (64%) said that attrition is high at lower level management, 23% said in middle level management and 13 % at top level management .

4. 73% of the respondents said that there is no equal treatment by superior, 70% said that there is lack of empowerment, 60% said lack of participative culture and decision making whereas 70 % respondents are satisfied with working conditions.

5. There was mixed opinions about satisfaction level with training and development programmes and its impact on employee attrition.

6. Most of the respondents have following opinions:
   - 70 % respondents said that performance appraisal is fault finding mechanism
   - 77 % respondents said that their morale and motivation decreases after performance appraisal and it's an apathetic stand.
   - 77 % of the respondents said that attrition increases after performance appraisal

7. Exit interview and retention policy help to reduce attrition.

8. Poor relationship with immediate boss, lack of good salary and rewards, dissatisfaction with company in general and lack of career opportunity are the prominent causes of employee attrition.

9. 40% of the respondents said that their employer is a model employer.

Conclusion: It can be seen from the pilot study that attrition is high at lower level managers; most of them are between 30-to 40 years of age and are working between 1 to 5 years. Most of the respondents are dissatisfied with the culture of their organization. Attrition increases after performance appraisal and Poor relationship with immediate boss, lack of good salary and rewards, dissatisfaction with company in general and lack of career opportunity is the prominent causes of employee attrition.

The data collected from main survey has been analyzed and presented systematically to represent the issues in the automobile industry.

5.3. Data analysis and interpretation of Main survey

[A] PERSONAL INFORMATION

Q4.What is your age?

Age	Frequency	Percent	Valid Percent	Cumulative Percent
Below 30 years	99	29.6	29.6	29.6
30 to 40 years	204	60.9	60.9	90.4
above 40 years	32	9.6	9.6	100.0
Total	**335**	**100.0**	**100.0**	

Table No 5.1: Age distribution of respondents
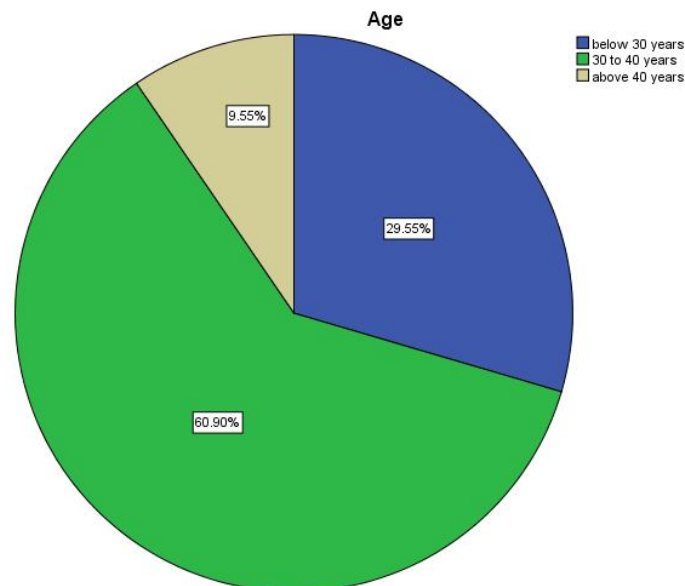
Figure 5.1: Age distribution of respondents

Analysis

From the above pie chart it can be seen that major number of respondents (60.9%) are between the age group 30-40 years, 29.6% respondents are below 30 years and 9.6% respondents are above 40 years of their age. It shows that most of the respondents are between 30 -40 years.

Interpretation - Most of the respondents are between 30 -40 years.

Q5: Male /Female.

Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Male	325	97.0	97.0	97.0
Female	10	3.0	3.0	100.0
Total	**335**	**100.0**	**100.0**	

Table no 5.2: Gender of the respondents
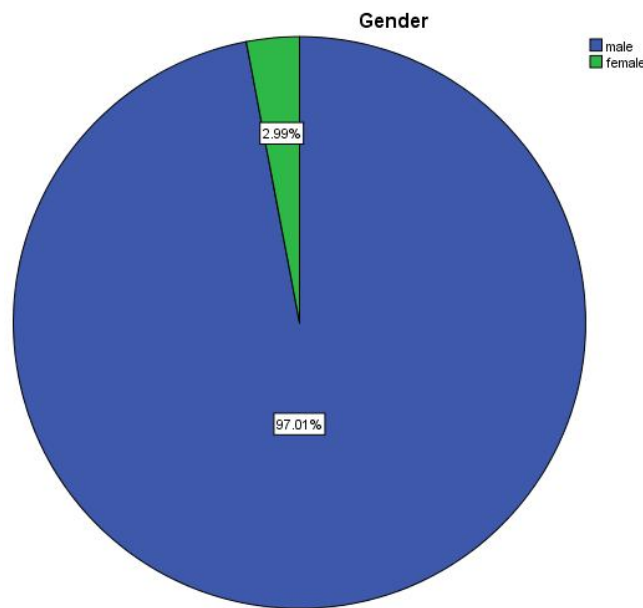
Figure 5.2: Gender of the respondents

Analysis

From the above pie chart it can be seen that maximum number of respondents (97%) are males and 3% of the respondents are females. It shows that most of the respondents in automobile manufacturing companies are male.

Interpretation - Most of the respondents under the study are males.

Q6.What is you marital status?

Marital Status	Frequency	Percent	Valid Percent	Cumulative Percent
Married	262	78.2	78.2	78.2
Unmarried	73	21.8	21.8	100.0
Total	335	100.0	100.0	

Table 5.3: Marital status of respondents
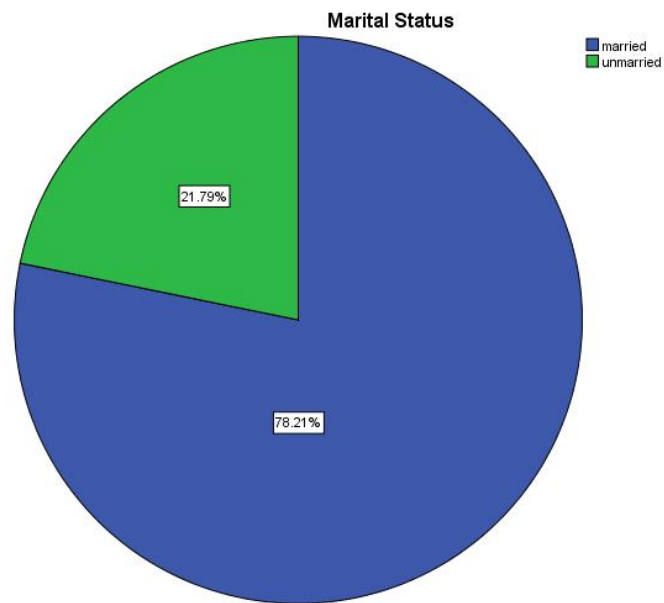
Figure5.3: Marital status of respondents

Analysis

From the above pie chart it can be seen that maximum number of respondents (78.2%) are married and 21.8 % respondents are unmarried.

Interpretation - Most of the respondents are married.

Q7. What is your Educational qualification?

Qualification	Frequency	Percent	Valid Percent	Cumulative Percent
Engineering graduate	143	42.7	42.7	42.7
Engineering and PG	114	34.0	34.0	76.7
Engineering and professional course	60	17.9	17.9	94.6
Others	18	5.4	5.4	100.0
Total	**335**	**100.0**	**100.0**	

Table 5.4: Statistical table showing qualification of the respondents
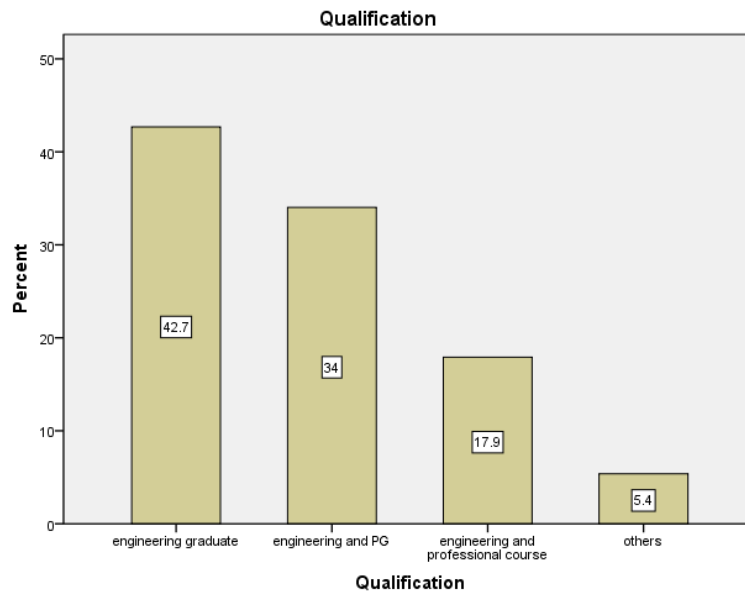
Figure 5.4: Qualification of the respondents

Analysis

From the above table and bar chart it can be seen that 42.7 percent of the respondents are engineers, 34 % have done engineering and PG courses, 17.9% have done engineering and professional courses and 5.4 % have done other courses. It shows that most of the respondents working in the automobile companies are engineers.

Interpretation- Most of the respondents are engineers.

Q8 .For how long have you been employed in this organization?

Association of respondents with the current organization	Frequency	Percent	Valid Percent	Cumulative Percent
less than a year	44	13.1	13.1	13.1
1 to 5 years	210	62.7	62.7	75.8
5 to 10 years	63	18.8	18.8	94.6
more than 10 years	18	5.4	5.4	100.0
Total	**335**	**100.0**	**100.0**	

Table 5.5: Association of respondents with the company
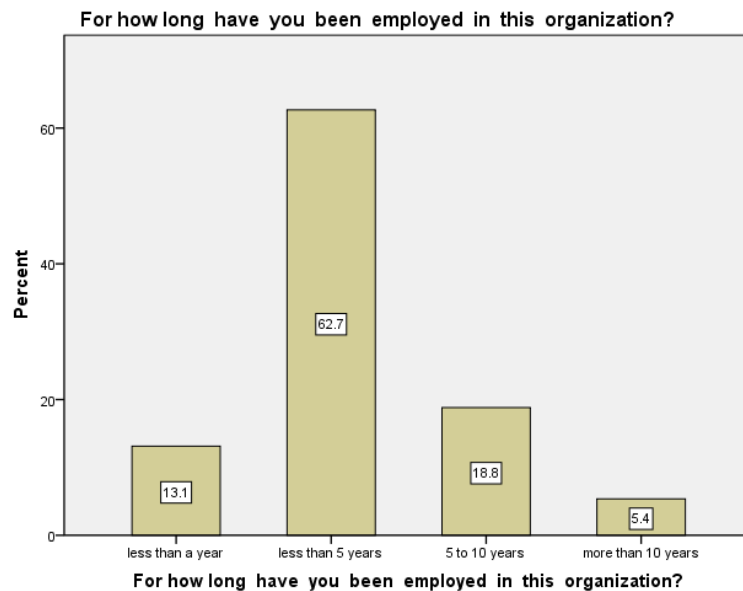
Figure 5.5: Association of respondents with the company

Analysis

From the above bar chart it can be seen that 62.7 percent of the respondents have been working from one to five years followed by 18.8% working from 5 to 10 years, 13.1 % have been working less than 1 year and only 5.4 % have been working for more than 10 years .It shows that majority of the respondents have been working between 1 to 5 years.

Interpretation - Majority of the respondents have 1 to 5 years' experience in the current organization.

[B] ATTRITION TREND

Q9. During 2008 to 102 how was the trend of attrition in your Organization?

		Managerial Level Attrition 2008	Managerial Level Attrition 2009	Managerial Level Attrition 2010	Managerial Level Attrition 2011	Managerial Level Attrition 2012
N	Valid	35	35	35	35	35
	Missing	253	253	253	253	253
Mean		4	2.97	3.06	3.31	3.74
Std. Deviation		0.594	0.382	0.539	0.718	0.657
Skewness		-0.893	-0.32	0.059	-0.053	-0.338
Std. Error of Skewness		0.398	0.398	0.398	0.398	0.398
Kurtosis		3.477	4.776	0.758	-0.246	0.451
Std. Error of Kurtosis		0.778	0.778	0.778	0.778	0.778

Table 5.6 : Attrition between 2008 to 2012
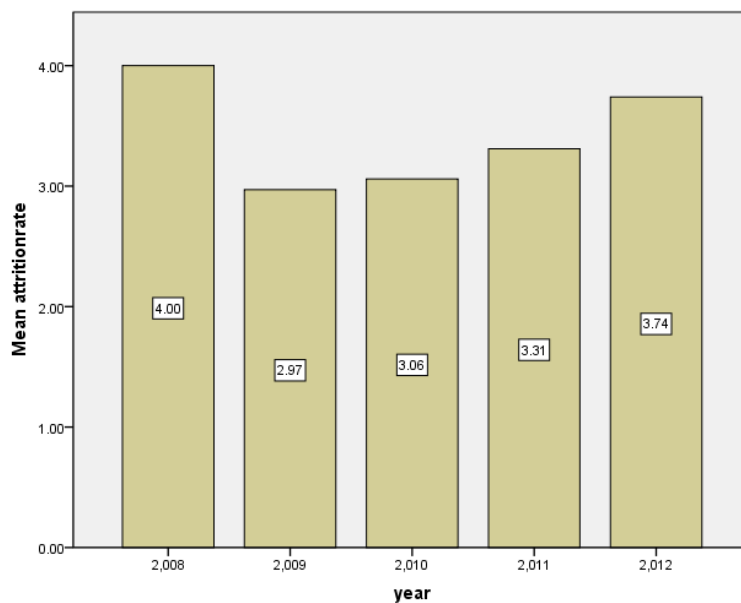
Figure 5.6: Attrition between 2008 to 2012

Analysis:

From the above table and bar chart it can be seen that attrition was high in 2008,low in 2009 and continuously increasing every year.

Interpretation - Attrition is increasing every year.

Q10. According to your opinion is attrition more among male or female employees?

Analysis

All the respondents' said that the attrition is high among male employees.

Interpretation - Attrition is high among male employees.

Q11.According to your opinion attrition is high at which level of management?

Levels of Management	Frequency	Percent	Valid Percent	Cumulative Percent
Top level	3	8.6	8.6	8.6
Middle level	13	37.1	37.1	45.7
Lower level	19	54.3	54.3	100.0
Total	**35**	**100.0**	**100.0**	

Table 5.7: Attrition at various levels of management
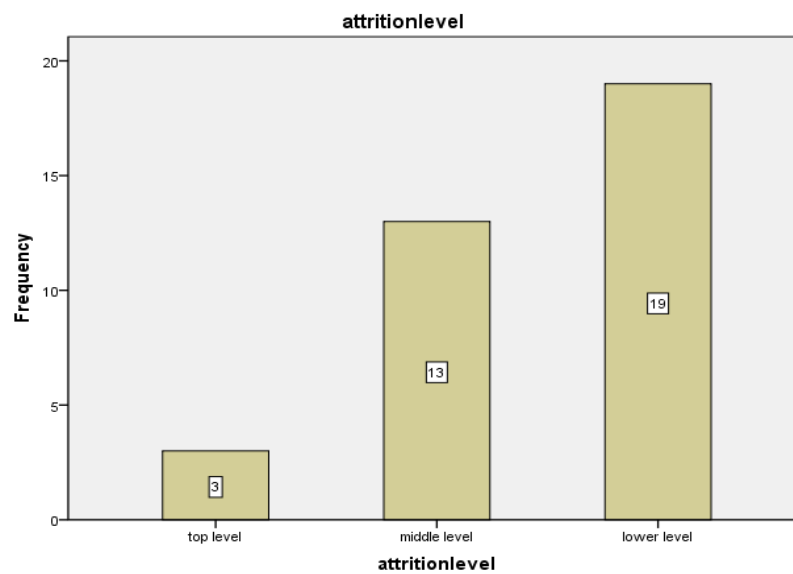
Figure 5.7: Attrition at various levels of management

Analysis

It can be seen from the above table and bar chart that attrition is high at the lower level management (54.3%), followed by middle level management (37.1)and low in top level management (8.6%).

Interpretation - Most of the respondents said that attrition is high at the lower level management.

Q12.According to your opinion at what age group is attrition high?

Years	Frequency	Percent	Valid Percent	Cumulative Percent
Below 30 years	25	71.4	71.4	71.4
30 to 40 years	9	25.7	25.7	97.1
Above 40 years	1	2.9	2.9	100.0
Total	35	100.0	100.0	

Table 5.8: Attrition at various age groups
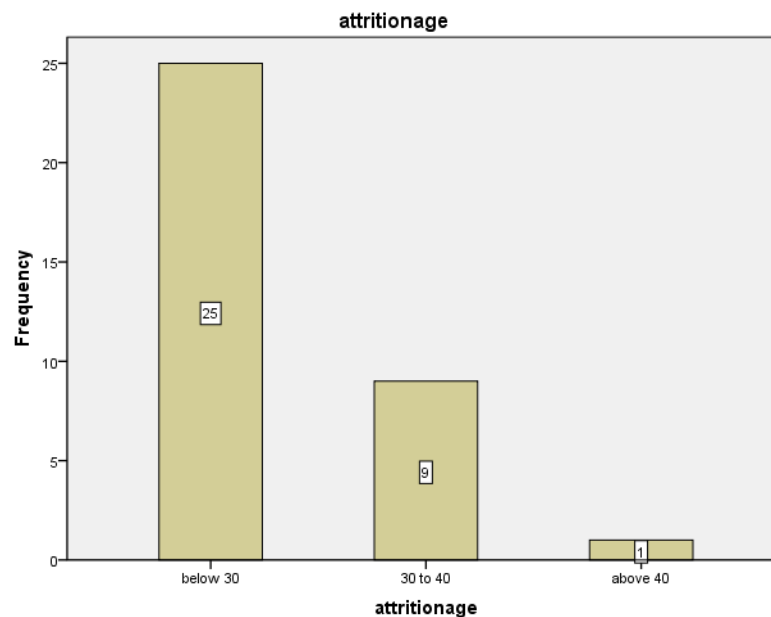
Figure 5.8: Attrition at various age group

Analysis

From the above table and bar chart it can be seen that attrition is high among the respondents below 30 years of age (71.4%),followed by 30 to 40 years (25.7%)and low among the respondents above 40 years (2.9%).

Interpretation

Most of the respondents said that attrition is high among the respondents below 30 years of age.

This data matches with the data of question number 11.

Q13. In which functional department is employee attrition high?

Human Resource Department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Low	27	77.1	77.1	77.1
	Moderate	8	22.9	22.9	100.0
	Total	35	100.0	100.0	

Table 5.9(a) Representing attrition in HR department

Marketing Department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Low	12	34.3	34.3	34.3
	Moderate	16	45.7	45.7	80.0
	High	7	20.0	20.0	100.0
	Total	35	100.0	100.0	

Table 5.9-b: Representing attrition in marketing department

Production Department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Low	2	5.7	5.7	5.7
	Moderate	20	57.1	57.1	62.9
	High	13	37.1	37.1	100.0
	Total	35	100.0	100.0	

Table 5.9-c Representing attrition in Production department

Finance Department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Low	15	42.9	42.9	42.9
	Moderate	19	54.3	54.3	97.1
	High	1	2.9	2.9	100.0
	Total	35	100.0	100.0	

Table 5.9-d: Representing attrition in Finance department

Research and Development Department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Low	3	8.6	8.6	8.6
	Moderate	15	42.9	42.9	51.4
	High	17	48.6	48.6	100.0
	Total	35	100.0	100.0	

Table 5.9-e : Representing attrition in Research and Development department

Table 5.9(a-e): Attrition in various departments.
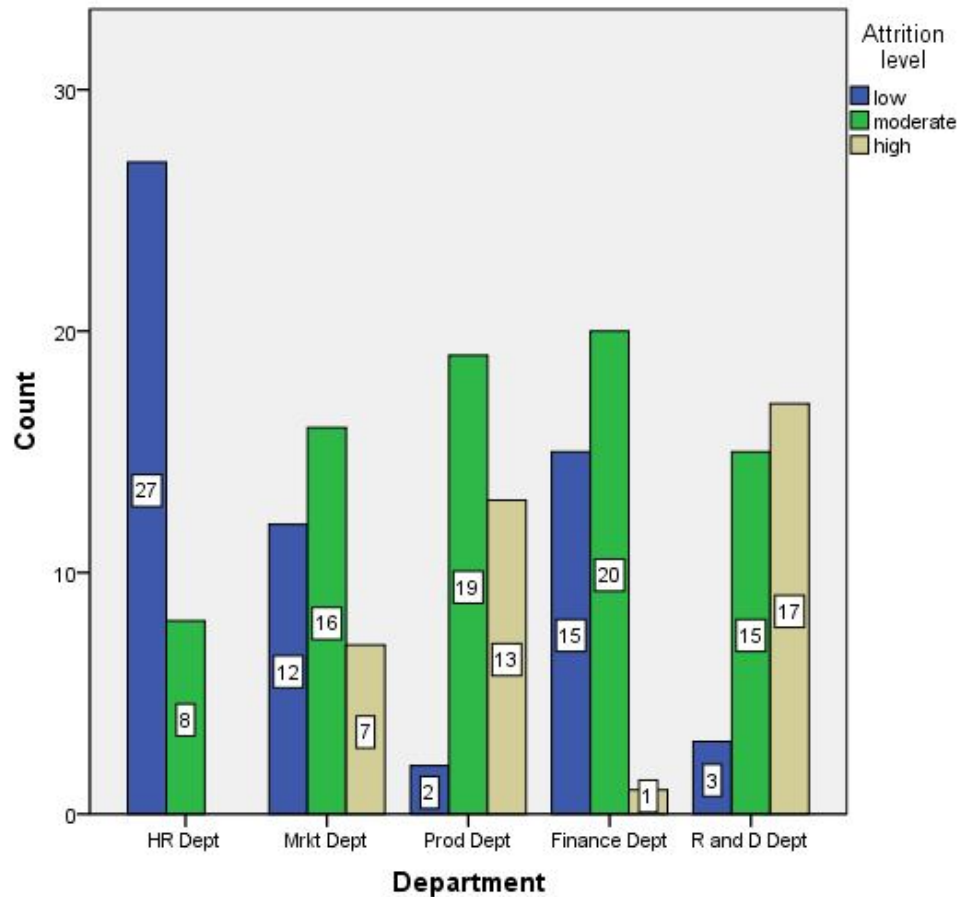
Figure 5.9. : Attrition in various departments

Analysis

From the above tables and bar chart it can be seen that attrition is high in Research and Development department, followed by production department, marketing department and finance department whereas employee attrition is low in human resource department.

Interpretation – Attrition is high in research and Development department, moderate at production, finance and marketing departments and low in human resource department in car manufacturing companies in and around Pune.

<center>**[C] TRAINING AND DEVELOPMENT**</center>

Q 14(a) Do you have training and development programmes in your organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	331	98.8	98.8	98.8
	No	4	1.2	1.2	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5. 10: Training and development

Figure 5.10: Training and development

Analysis

From the above table and pie chart it can be seen that in automobile manufacturing company training and development is provided to almost all of the employees. 1.2 % respondents said that training is not available in their organization.

Interpretation- All the companies under research provide training to all the levels of managers.

Q14 (b). Are you satisfied with the training and development programmes?

Statistics			
Are you satisfied with Training & development programmes?			
N	Valid		335
	Missing		0
Mean			3.63
Std. Deviation			1.384
Skewness			-.704
Std. Error of Skewness			.133
Kurtosis			-.888
Std. Error of Kurtosis			.266

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	37	11.0	11.0	11.0
	little extent	55	16.4	16.4	27.5
	Neutral	17	5.1	5.1	32.5
	to some extent	111	33.1	33.1	65.7
	to great extent	115	34.3	34.3	100.0
	Total	335	100.0	100.0	

Table 5.11 : Satisfaction with Training and development programmes
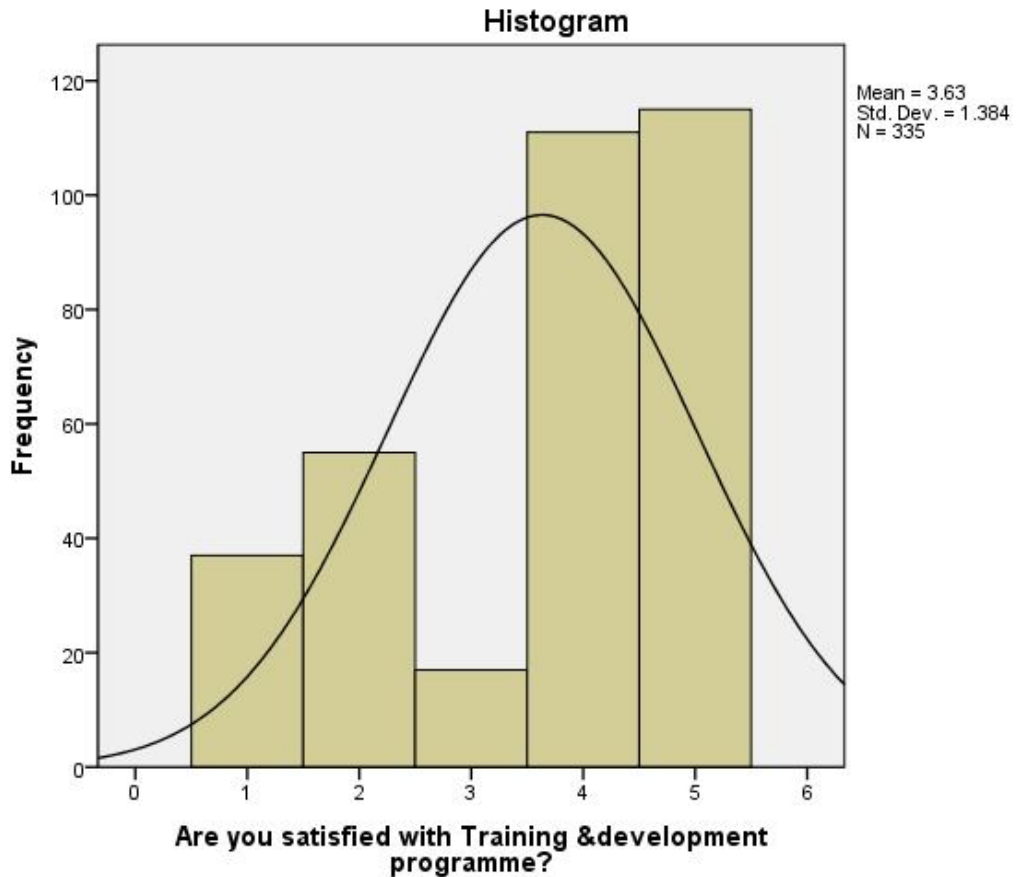
Figure 5.11 : Satisfaction with Training programmes

Analysis

The above table and histogram shows frequency distribution for each category of variable "satisfaction level with training programmes along with its descriptive statistics" from the frequency distribution we noticed that about 27.4 % of the respondents are not satisfied with training programmes provided to them whereas 67.4 % respondents are satisfied with it and 5% are neutral.

The descriptive statistic table has produced a mean of 3.63 and Standard deviation of 1.384

Histogram shows a left skewed curve and most of the data is piled up on the right side of the x –axis. This shows that most respondents are satisfied with the training program provided to them.

Interpretation - Most of the respondents are satisfied with the training and development programmes.

Q 15. Is the training provided by the company useful for your career development?

N	Valid	335
	Missing	0
Mean		3.55
Std. Deviation		1.328
Skewness		-.643
Std. Error of Skewness		.133
Kurtosis		-.878
Std. Error of Kurtosis		.266

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	34	10.1	10.1	10.1
	little extent	60	17.9	17.9	28.1
	Neutral	20	6.0	6.0	34.0
	to some extent	130	38.8	38.8	72.8
	to great extent	91	27.2	27.2	100.0
	Total	335	100.0	100.0	

Table 5.12   : Usefulness of training and development programmes
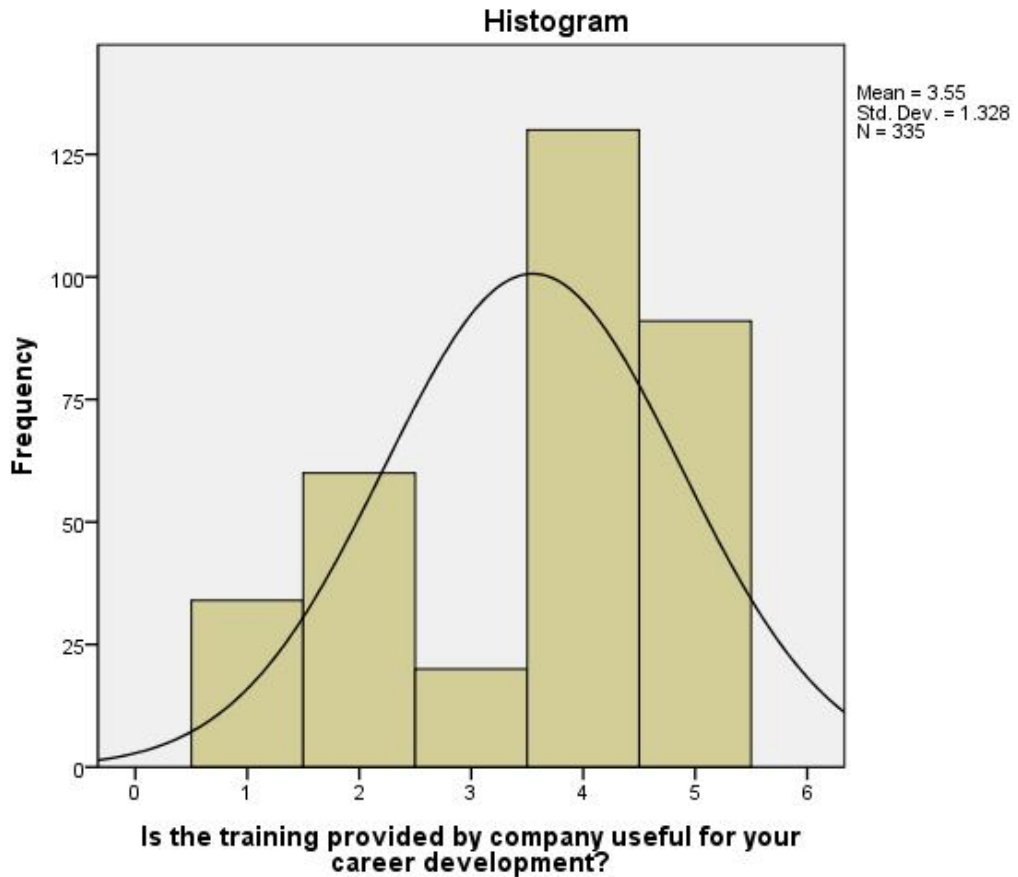
Figure 5.12: Usefulness of training and development programmes

Analysis

The above table and histogram shows frequency distribution for the variable "usefulness of training programmes along with its descriptive statistics" from the frequency distribution we noticed that about28% of the respondents believe that training program is not useful for them whereas 66 % are of the opinion that it is useful for them and 6% are neutral.

The descriptive statistic table has produced a mean of 3.55 and Standard deviation of 1.328

Histogram shows a left skewed curve and most of the data is piled up on right side of the x –axis. This shows that most respondents believe that training is useful for them.

Interpretation - Most of the respondents find training and development programmes are useful for their career development.

Q 16. Does the Training provided to you help to manage stress at workplace?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	105	31.3	31.3	31.3
	little extent	111	33.1	33.1	64.5
	Neutral	14	4.2	4.2	68.7
	to some extent	70	20.9	20.9	89.6
	to great extent	35	10.4	10.4	100.0
	Total	335	100.0	100.0	

Table 5.13: Opinion about management of stress by training

N	Valid	335
	Missing	0
Mean		2.46
Std. Deviation		1.388
Skewness		.557
Std. Error of Skewness		.133
Kurtosis		-1.108
Std. Error of Kurtosis		.266
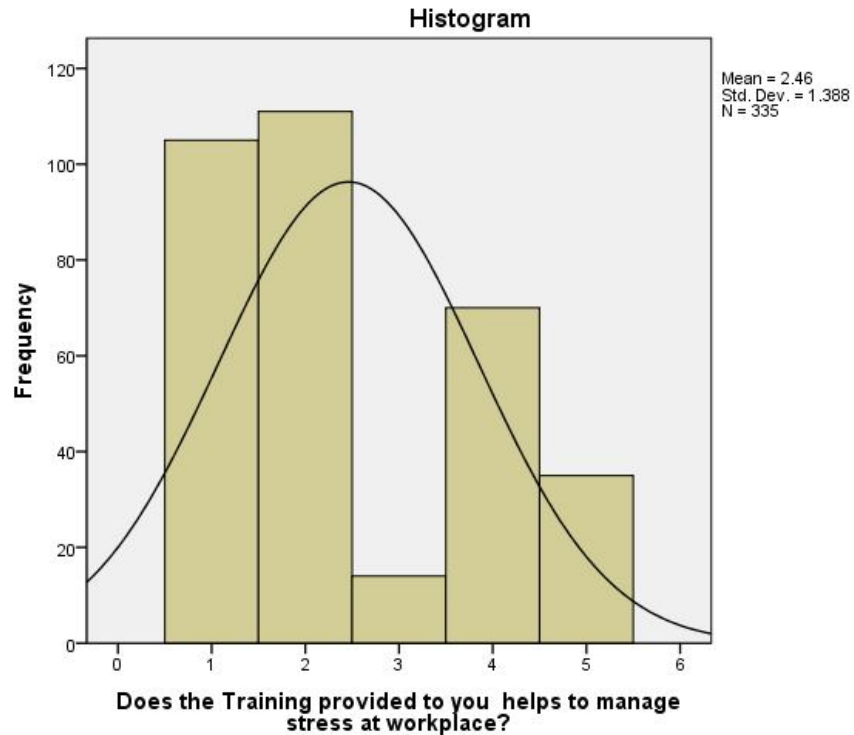
Figure 5.13: Opinion about management of stress by training

Analysis

The above table and histogram shows frequency distribution for each category of variable 'training provided to respondents helps them to manage stress at workplace along with its descriptive statistics'. From the frequency distribution we noticed that about 64.5% of the respondents believe that training does not help to manage the stress at work place whereas 31.3 % are of the opinion that training helps to manage the stress at work place and 4.2 % are neutral.

The descriptive statistic table has produced a mean of 2.46 and Standard deviation of 1.388

Histogram shows a right skewed curve and the data is piled up on the left side .This shows that most of the respondents are of the opinion that training is not helpful in managing stress.

Interpretation - Most of the respondents said that training does not help to manage stress at the work place.

If this question's data is related to question 14 (b) it indicates that 67.4 % respondents are satisfied with training and development program, question 15 represents that 66 % respondents are of the opinion that it is useful for them but analysis and interpretation of this question represents that 64.5% of the respondents believe that training program does not help to manage the stress at work place.

Q17. Do you think that the quality and quantity of training and development has significant effect on reducing attrition?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	91	27.2	27.2	27.2
	little extent	60	17.9	17.9	45.1
	Neutral	28	8.4	8.4	53.4
	to some extent	68	20.3	20.3	73.7
	to great extent	88	26.3	26.3	100.0
	Total	335	100.0	100.0	

Table 5.14: Opinion about whether the quality and quantity of training that has effect on reducing attrition

N	Valid	335
	Missing	0
Mean		3.01
Std. Deviation		1.590
Skewness		-.023
Std. Error of Skewness		.133
Kurtosis		-1.599
Std. Error of Kurtosis		.266
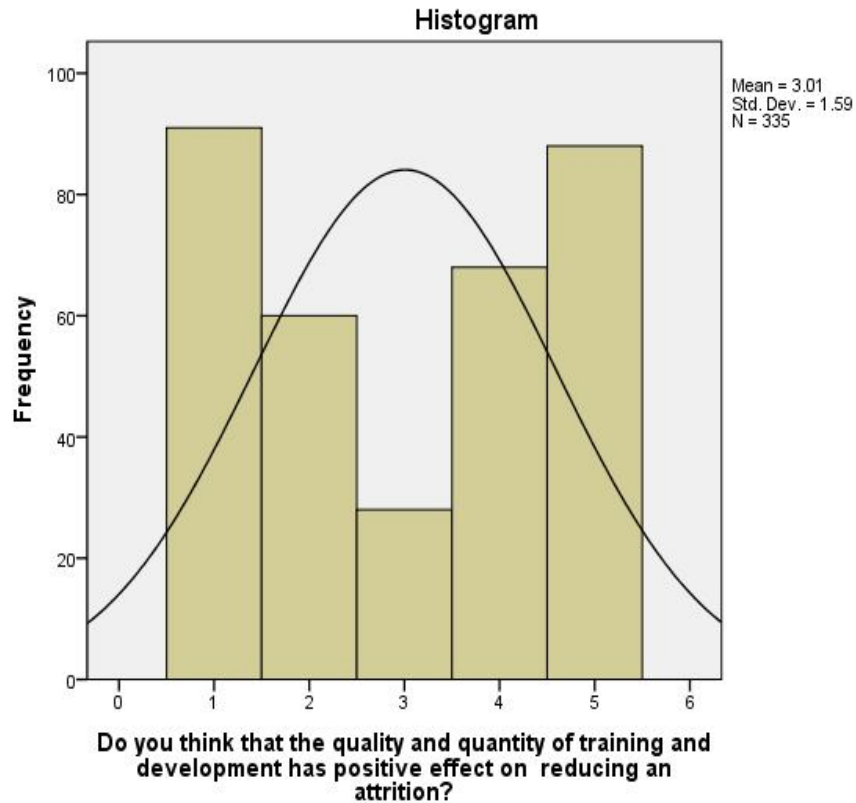
Figure 5.14: Opinion about whether the quality and quantity of training has positive effect on reducing attrition.

Analysis

The above table and histogram shows frequency distribution for each category of variable "whether the quality and quantity of training and development has positive effect on reducing an attrition along with its descriptive statistics" from the frequency distribution we noticed that about 45.1% of the respondents believe that the quality and quantity of training and development has a negative effect on reducing attrition whereas 46.6 % respondents are of the opinion that the quality and quantity of training and development has a positive effect on reducing attrition .

The descriptive statistic table has produced a mean of 3.01 and Standard deviation of 1.59

The frequency distribution table shows that about 45.1% of the respondents believe that quality and quantity of training and development does not have a positive effect on reducing an attrition whereas 46.6% of the respondents are of the opinion that

quality and quantity of training and development has a positive effect on reducing attrition. Thus it can be concluded that respondents have mixed opinions about whether the quality and quantity of training and development has positive effect on reducing employee attrition.

Interpretation

Respondents have mixed opinions about the role of quality and quantity of training on reducing employee attrition.

[D]PERFORMANCE APPRAISAL

Q18 (a) Do you have performance appraisal system in your organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	331	98.8	98.8	98.8
	No	4	1.2	1.2	100.0
	Total	335	100.0	100.0	

Table 5.15: Information about performance appraisal in the organization
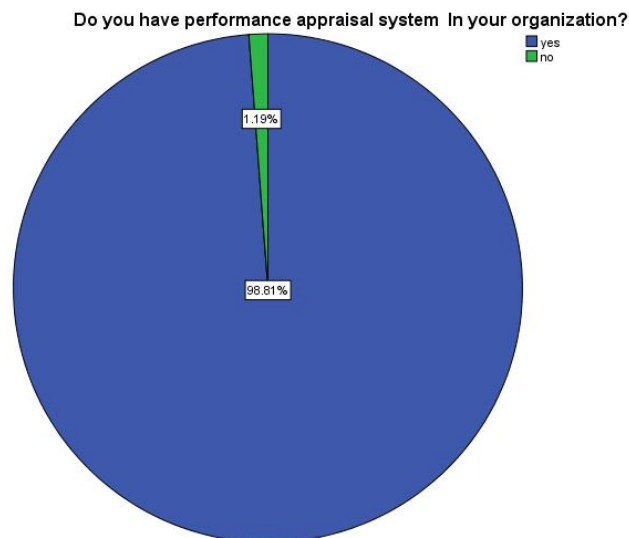
Figure 5.15 : Information about performance appraisal system in the organization

Analysis

From the above table and pie chart it can be seen that maximum respondents (98.8%) said that performance appraisal is conducted in their company whereas only 1.2% respondents said that it is not conducted .

Interpretation - All the companies under research conduct performance appraisal of employees. 1.2% is negligible %. It shows that the said respondents may not be aware of performance appraisal system.

Q 18(b). Are you satisfied with the performance appraisal system?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	147	43.9	43.9	43.9
	No	188	56.1	56.1	100.0
	Total	335	100.0	100.0	

Table 5.16: Satisfied with performance appraisal
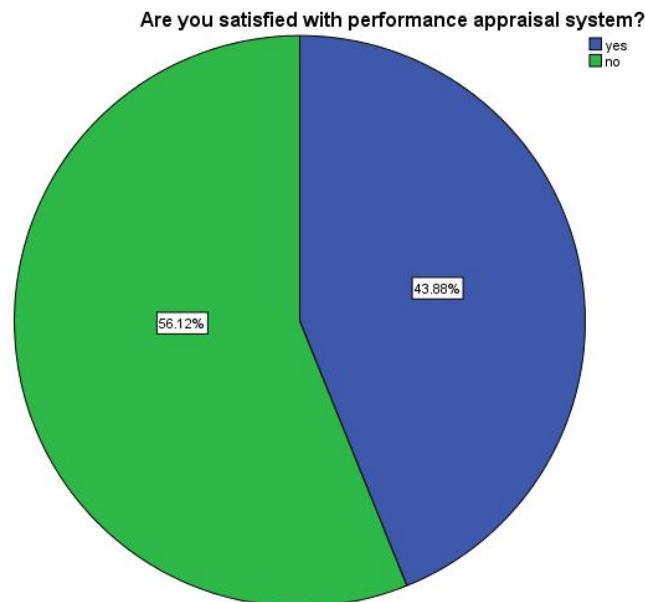
Table 5.16 :Satisfaction level of respondents with performance appraisal

Analysis

From the above table and pie chart it can be seen that 43.9 % respondents are satisfied with the performance appraisal system whereas 56.1% are dissatisfied with it.

Interpretation

Most of the respondents are dissatisfied with the performance appraisal system.

Q19. What is the culture of performance appraisal in your organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	periodic rituals	34	10.1	10.1	10.1
	fault finding mechanism	197	58.8	58.8	69.0
	developmental tool	104	31.0	31.0	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.17 :Culture of performance appraisal in car manufacturing companies.
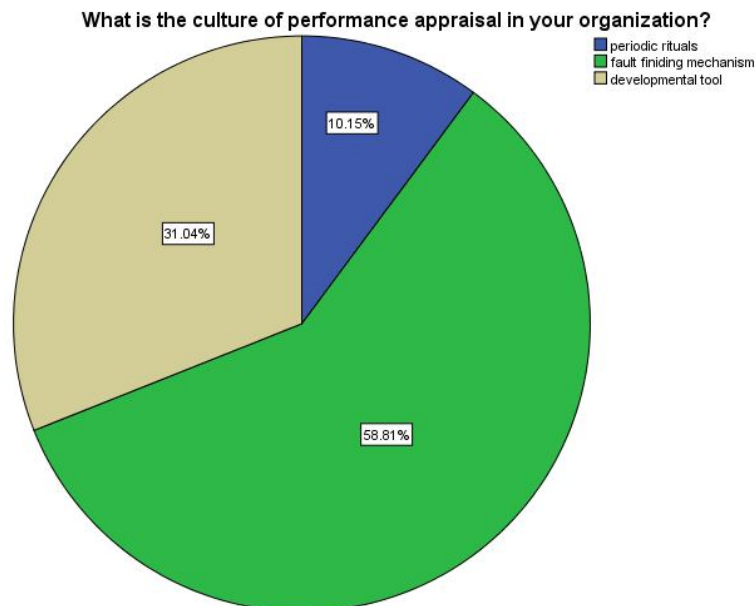
Figure5.17: Culture of performance appraisal.

Analysis

Form the above pie chart it is seen that 68.8% respondents said that performance appraisal is a fault finding mechanism and periodic ritual (taken together), and 31.00%respondents said that it is a developmental tool for us.

Interpretation - Most of the respondents said that performance appraisal is a fault finding mechanism.

This data correlates with the data of question 18 b.

The analysis and interpretation of question 18(b) indicates that most of the managers are not satisfied with the performance appraisal. Analysis and interpretation of this question indicates that 69% respondents have a negative opinion about the culture of performance appraisal.

Thus the data of question number 18b supports the interpretation and findings of this question.

Q20. What are the general emotions after performance appraisal exercise?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Increase in morale and motivation	130	38.8	38.8	38.8
	Decrease in morale and motivation	193	57.6	57.6	96.4
	Apathetic stand	12	3.6	3.6	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.18: Showing general emotion after performance appraisal
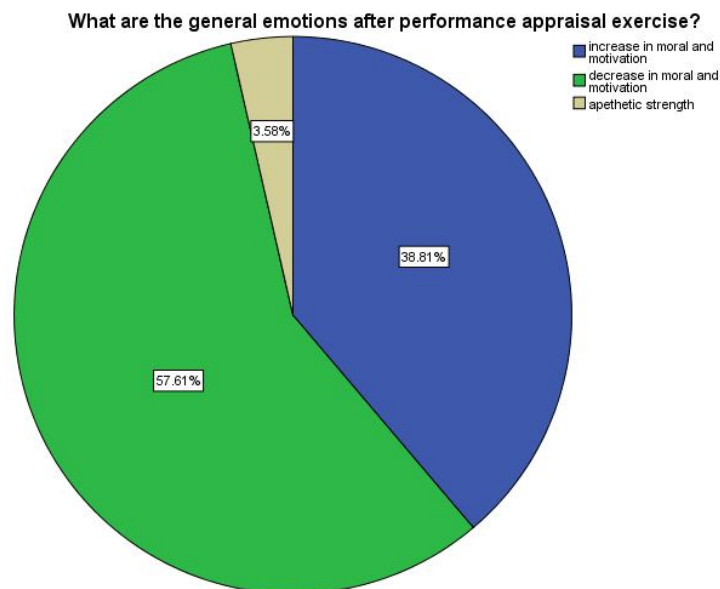
Figure 5.18 : Showing general emotion after performance appraisal

Analysis

It can be seen from the above bar chart that 61.2(57.6+3.6) % respondents said that their morale and motivation decreases after the performance appraisal whereas 38.8 % respondents said that their morale and motivation increases after performance appraisal.

Interpretation

Most of the respondents said that the morale and motivation decreases after performance appraisal.

If this questions data is related to question 18(b) it indicates that most of the managers are not satisfied with performance appraisal and analysis of question 19 indicates that 69% managers have a negative opinion about it the analysis of the data for this question represents that 61 % managers said that it has a negative impact on their morale and motivation.

Thus the data of question number 18b, 19 and 20 give the same negative indicators about performance appraisal.

Q 21.Do you think that after performance appraisal the employee attrition increases?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	220	65.7	65.7	65.7
	no	115	34.3	34.3	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.19: Opinion about the employee attrition after performance appraisal
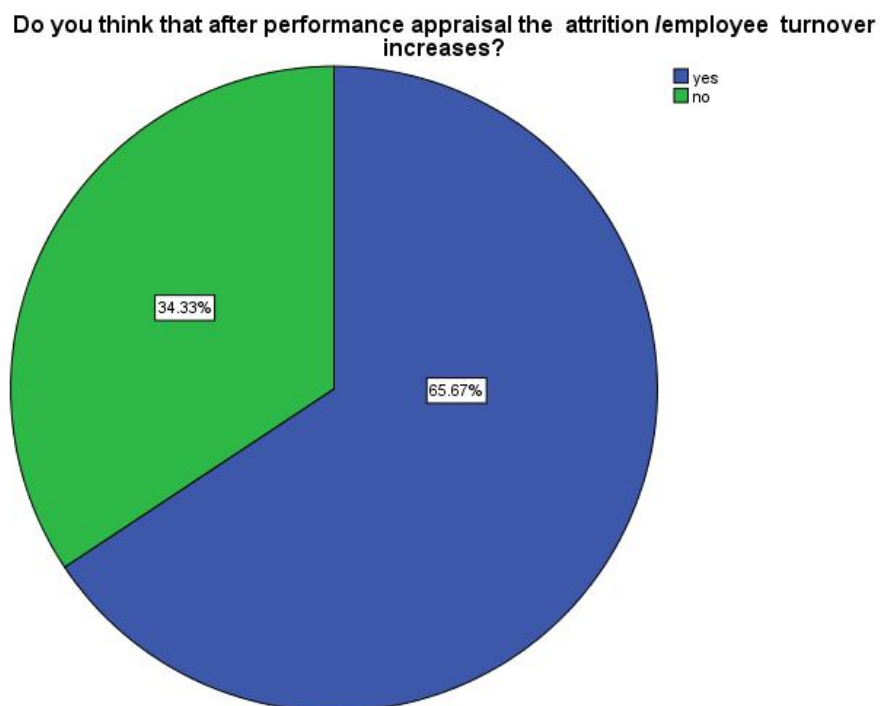
Table 5.19: Opinion about the employee attrition after performance appraisal

Analysis

It can be seen from the above pie chart that majority of respondents (65.7%) said that employee attrition increases after performance appraisal whereas 34.3% said that attrition does not increase after performance appraisal.

Interpretation - Majority of the respondents believe that employee attrition increases after performance appraisal.

This is the direct reflection of analysis and interpretation of the question number 18(b), 19 and 20.

[E] IMPACT OF ATTRITION

Q 22(a) According to your opinion production affects due to employee attrition?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	33	9.9	9.9	9.9
	little extent	57	17.0	17.0	26.9
	Neutral	44	13.1	13.1	40.0
	to some extent	139	41.5	41.5	81.5
	to great extent	62	18.5	18.5	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.20: Impact of employee attrition on production

Statistics		
Production affects due to attrition		
N	Valid	335
	Missing	0
Mean		3.42
Std. Deviation		1.245
Skewness		-.561
Std. Error of Skewness		.133
Kurtosis		-.787
Std. Error of Kurtosis		.266
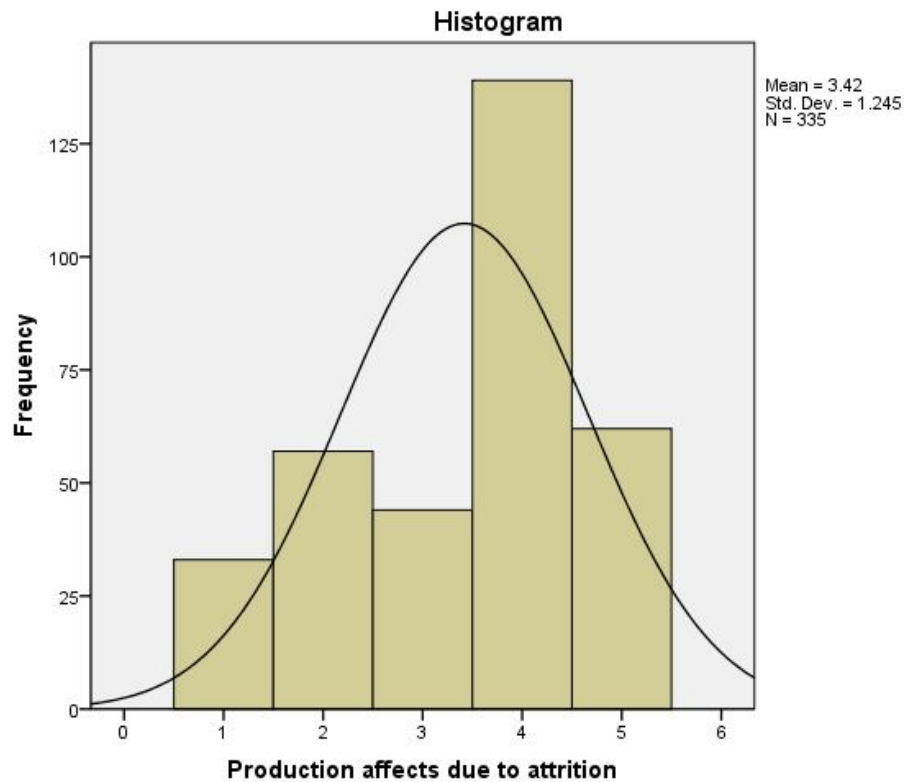
Figure 5.20: Impact of employee attrition on production

The above table and histogram shows frequency distribution for each category of variable "impact of attrition on production along with its descriptive statistics". From the frequency distribution we noticed that about 26.9% of the respondents believe that production not affected at all by attrition whereas 60% respondents are of the opinion that production is affected by attrition and 13% are neutral.

The descriptive statistic table has produced a mean of 3.42 and Standard deviation of 1.245

Histogram shows a left skewed curve and most of the data is piled up on the right side of the x –axis. This shows that most respondents believe that production is affected due to attrition.

Interpretation

Most of the respondents believe that production is affected by employee attrition.

Q 22 (b).Morale and motivation of existing employees decreases due to employee attrition?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	24	7.2	7.2	7.2
	little extent	41	12.2	12.2	19.4
	Neutral	73	21.8	21.8	41.2
	to some extent	148	44.2	44.2	85.4
	to great extent	49	14.6	14.6	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.21: Impact of attrition on the morale and motivation among existing employees

Statistics		
N	Valid	335
	Missing	0
Mean		3.47
Std. Deviation		1.104
Skewness		-.671
Std. Error of Skewness		.133
Kurtosis		-.227
Std. Error of Kurtosis		.266
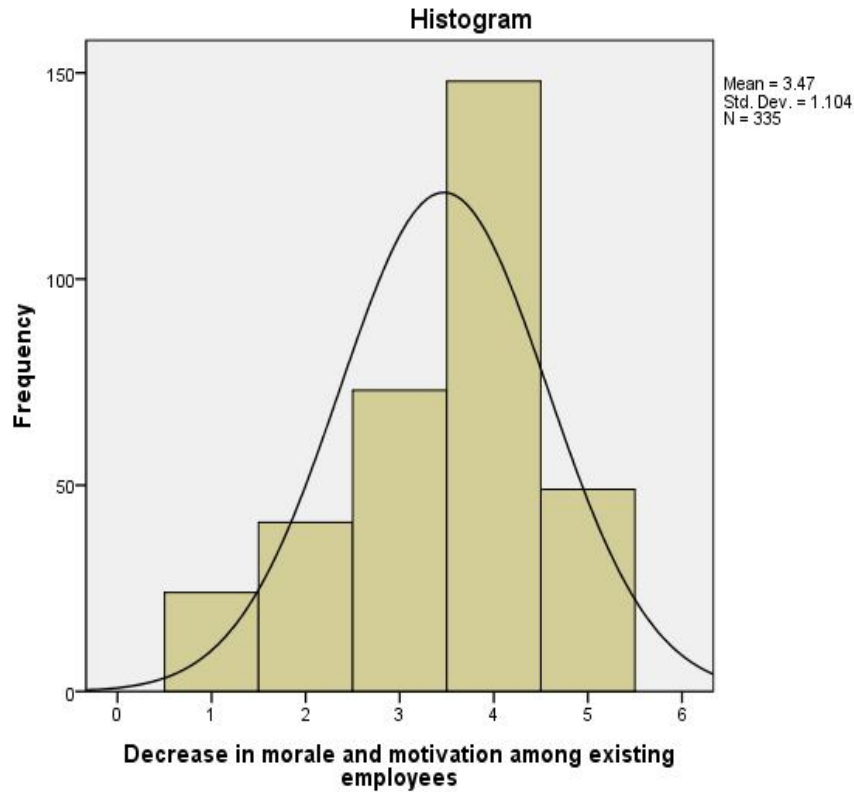
Figure 5.21 : Impact of attrition on the morale and motivation among existing employees

Analysis

The above table and histogram shows frequency distribution for each category of variable "decrease in morale and motivation among existing employees along with its descriptive statistics". From the frequency distribution we noticed that about 58.8 % of the respondents believe that motivation and the morale of the existing employees decreases whereas 19.4 % are of the opinion that the morale and motivation among the existing employee does not decrease due to attrition.

The descriptive statistic table has produced a mean of 3.47 and Standard deviation of 1.104

Histogram shows a left skewed curve and most of the data is piled up on the right side of the x –axis. This shows that most respondents believe that the morale and motivation of existing employees decreased due to attrition.

Interpretation - Most of the respondents believe that morale and motivation of existing employees decreases due to attrition.

Q. 22(c)Image of the company spoils due to employee attrition.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	37	11.0	11.0	11.0
	little extent	40	11.9	11.9	23.0
	Neutral	69	20.6	20.6	43.6
	to some extent	87	26.0	26.0	69.6
	to great extent	102	30.4	30.4	100.0
	Total	335	100.0	100.0	

Table 5.22 : Impact of attrition on the image of the company.

Statistics		
N	Valid	335
	Missing	0
Mean		3.53
Std. Deviation		1.328
Skewness		-.535
Std. Error of Skewness		.133
Kurtosis		-.856
Std. Error of Kurtosis		.266
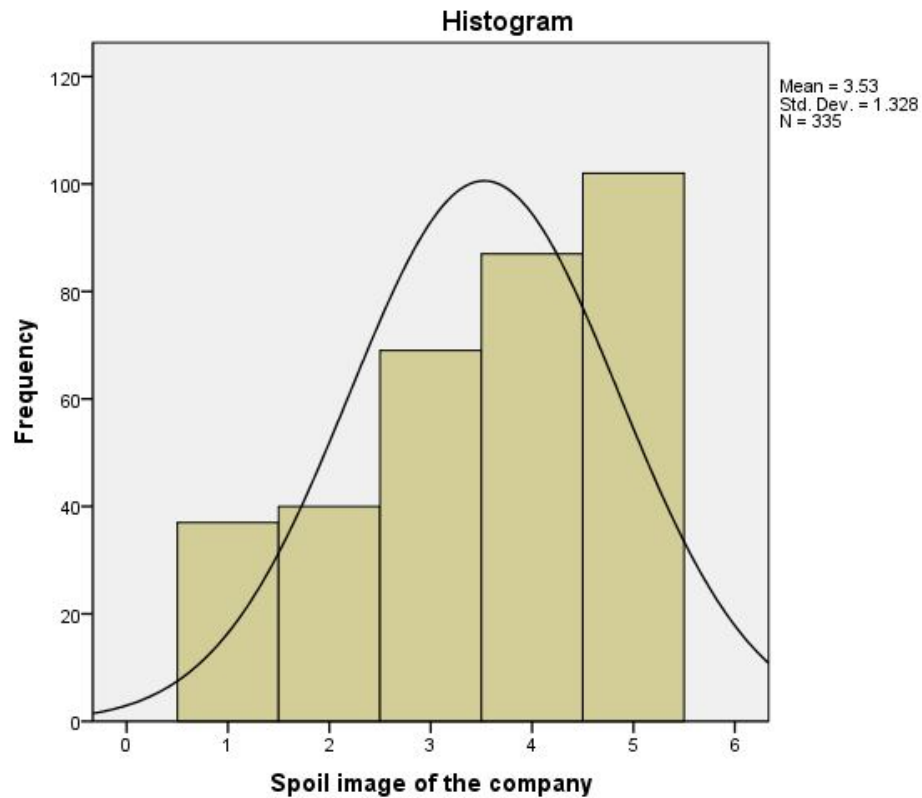
Figure 5.22 : Impact of attrition on the image of the company

Analysis

The above table and histogram shows frequency distribution for each category of variable "spoil impact of attrition on the image of a company along with its descriptive statistics". From the frequency distribution we noticed that about 22.9% of the respondents believe that the image of the company does not spoil due to attrition whereas 56.4%are of the opinion that it has great impact on the image of a company.

The descriptive statistic table has produced a mean of 3.53 and Standard deviation of 1.328

Histogram shows a left skewed curve and most of the data is piled up on the right side of the x –axis. This shows that most respondents believe that the image of the company gets spoiled due to attrition.

Interpretation

Most of the respondents believe that the image of the company gets spoiled due to attrition.

The analysis and interpretation of question 22(a) indicates that 60 % respondents are of the opinion that production is affected due to attrition, 22(b) 59 % of the respondents believe that motivation and the morale of the existing employees decreases and 22(c) 56.4 % are of the opinion that it has great impact on the image of a company .Hence it can be concluded that attrition has a negative impact on the organization.

[E]RETENTION AND ATTRITION

Q 23. Do you have retention policy in your organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
	Yes	263	78.5	78.5	78.5
Valid	No	72	21.5	21.5	100.0
	Total	335	100.0	100.0	

Table 5.23 : Information about retention policy in organization

Statistics

N	Valid	335
	Missing	0
Mean		1.21
Std. Deviation		.411
Skewness		1.394
Std. Error of Skewness		.133
Kurtosis		-.056
Std. Error of Kurtosis		.266
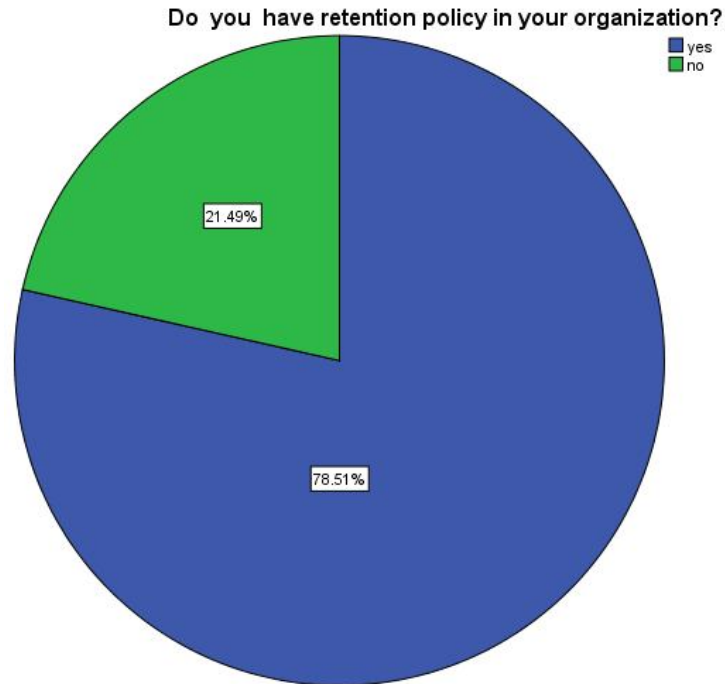
Figure 5.23 : Information about retention policy in organization

Analysis

From the above bar chart it can be seen that 78.5 % of the respondents said that they have retention policy at their organization whereas 21.5% of the respondents are of the opinion that there is no retention policy in their organization.

Interpretation - More than 75 % of the respondents said that there is a retention policy in their organization.

Q24. Are you satisfied with the retention policy?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	125	37.3	46.5	46.5
	No	144	43.0	53.5	100.0
	Total	**269**	**80.3**	**100.0**	
Missing	System	66	19.7		
Total		**335**	**100.0**		

Table 5.24 : Satisfaction level of respondents with retention policy

Statistics		
N	Valid	269
	Missing	66
Mean		1.54
Std. Deviation		.500
Skewness		-.142
Std. Error of Skewness		.149
Kurtosis		-1.995
Std. Error of Kurtosis		.296
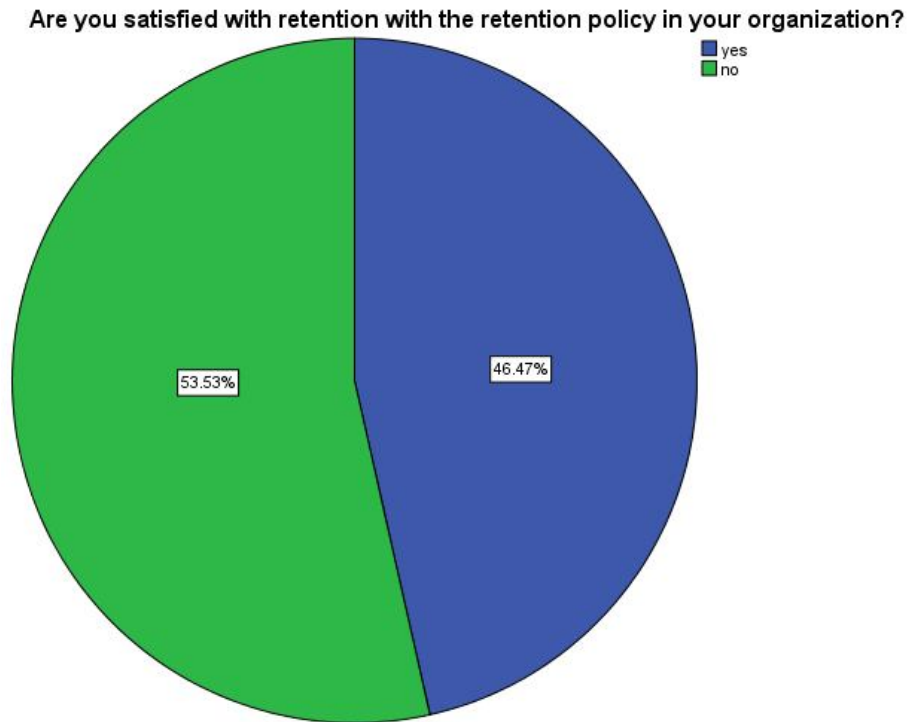
Figure5.24 : Satisfaction level of respondents with retention policy

Analysis

From the above table and pie chart it can be seen that 53.5% respondents are not satisfied with the retention policy and only 46.5 % respondents are satisfied with the retention policy of their organization.

Interpretation - Majority of the respondents said that they are not satisfied with the retention policy.

Q 25.Do you feel that retention policy helps to control attrition?

Opinion about retention policy on controlling Attrition

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	236	70.4	70.4	70.4
	No	99	29.6	29.6	100.0
	Total	335	100.0	100.0	

Table 5.25 : Opinion about retention policy on controlling Attrition

Statistics		
N	Valid	335
	Missing	0
Mean		1.30
Std. Deviation		.457
Skewness		.900
Std. Error of Skewness		.133
Kurtosis		-1.197
Std. Error of Kurtosis		.266
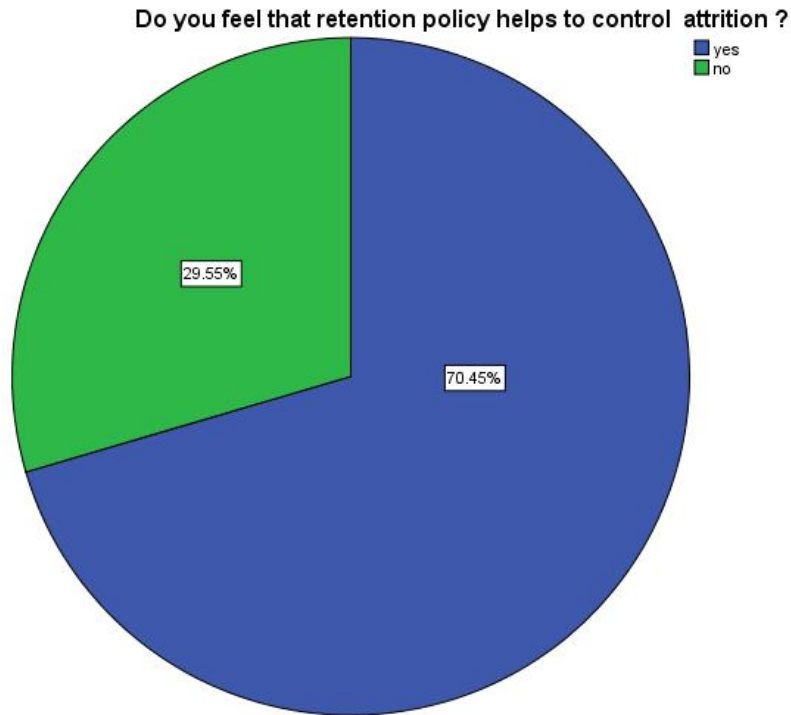
Figure5.25: Opinion about retention policy on controlling Attrition.

Analysis

From the above table and pie chart it can be seen that 70.45 % of respondents said that retention policy can control attrition, whereas 29.6%respondents said that retention policy cannot control attrition.

Interpretation

Maximum respondents said that retention policy helps to control attrition. The analysis and interpretation of question 24 indicates that most of the managers are not satisfied with retention policy. Analysis and interpretation of this question is that 70% of the respondents said that retention policy helps to control attrition.

It seems that managers have many expectation form the retention policy.

Q26 .Do you have exit interview in your organizations?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	303	90.4	90.4	90.4
	no	32	9.6	9.6	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.26: Information about exit interview
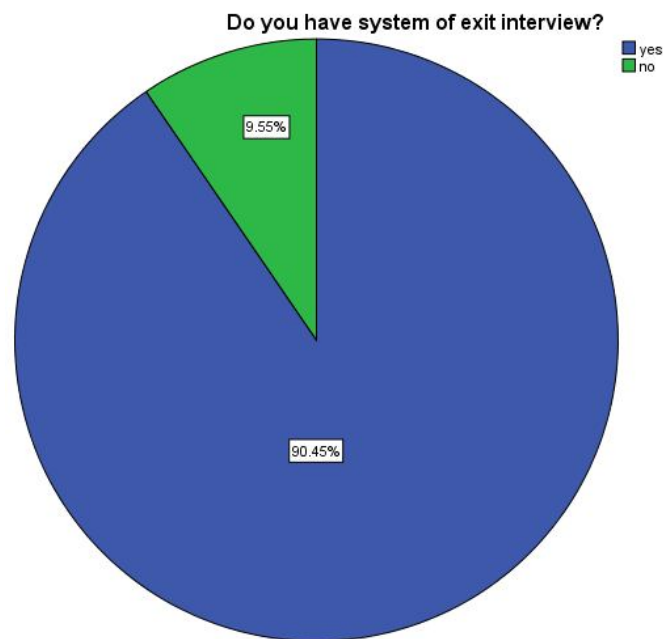
Figure 5.26: Information about exit interview

Analysis

Form the above bar chart it can be seen that maximum (90.4%) respondents said that they have exit interview in their organization whereas 9.6 % of the respondents said that they don't have exit interview in their organization.

Interpretation - Most of the respondents believe that they have exit interview in their organization but at the same time 9 % respondents are unaware about exit interview.

Q 27: Do you feel that exit interview helps a company to control attrition ?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	190	56.7	56.7	56.7
	no	145	43.3	43.3	100.0
	Total	**335**	**100.0**	**100.0**	

Table5.27 : Impact of exit interview on controlling attrition.
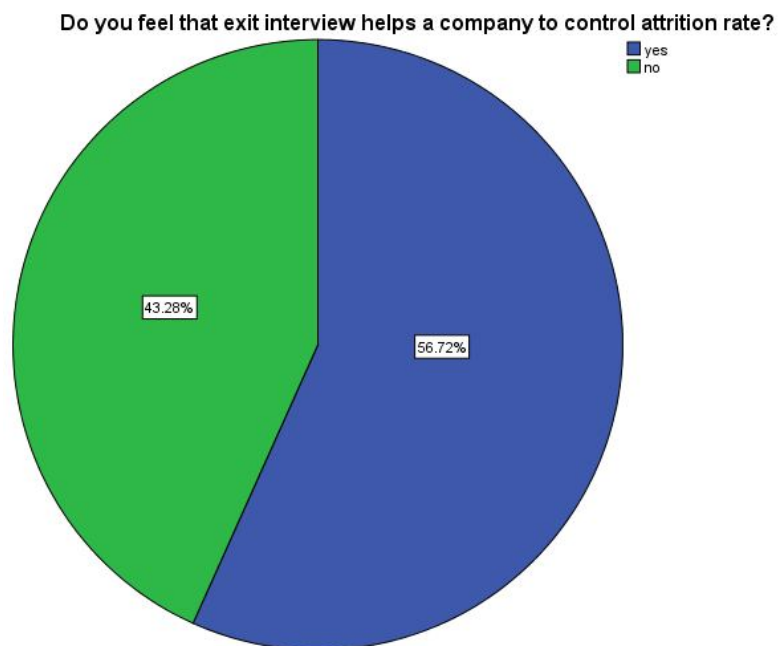
Figure5.27 : Impact of exit interview on controlling attrition.

Analysis

Form the above bar chart it can be seen that 56.7 % of respondents said that exit interview can control attrition whereas 43.2% respondents said that exit Interview cannot control attrition.

Interpretation - Most of the respondents said that exit interview helps a company to control attrition. .

[F]CAUSES OF ATTRITION

Q 28(a).What are the causes of attrition among top level management?

Causes of attrition among top level management

Causes	Strongly agree (%)	Agree (%)	Neutral (%)	Disagree (%)	Strongly disagree (%)
Dissatisfaction in general	**8.6**	**51.4**	14.3	22.9	2.9
Poor relationship with boss	**20**	**54.3**	5.7	17.1	2.9
Poor relationship with colleagues	**2. 9**	**57.1**	11.4	22.9	5.7
Poor relationship with subordinates	0.0	**54.3**	11.4	25.7	8.6
Insufficient salary and financial rewards	**34.3**	**48.6**	5.7	11.4	0.0
Lack of employee benefits	8.6	37.1	28.6	25.7	0.0
Lack of good working environment	2.09	37.01	25.7	25.7	8.6
Lack of training and development	0.0	40	28.6	25.7	5.7
Lack of Job satisfaction	11.4	25.7	40.0	22.9	0.0
Lack of empowerment ,participative culture and decision making	**57.1**	**20.0**	5.7	17.7	0.0
Discrimination	**37.1**	**20.0**	17.1	22.9	2.9
Lack of career advancement	**28.6**	**28.6**	22.9	8.6	11.4
Starting own business	2.9	5.7	28.6	20.0	42.9
Company policies and procedure	17.1	20.0	34.3	25.7	2.9

Table 5.28 Causes of attrition among top level management

ManagementLevel: top level

Company policies and procedures

Starting their own business

Lack of career advancement

Discrimination

Lack of empowerment, participative cutlure and decision making

Lack of job satisfaction

Lack of training and development

Lack of good working environment

Lack of employee benefits

Insufficient salary or financial rewards

Poor relationship with subordinates

Poor relationship with colleagues

Poor relationship with immediate boss

Dissatisfaction with the company in general

Mean

Error Bars: 95% CI

Figure 5.28 : Causes of attrition among top level management

Analysis

The above plot shows multiple line graph for causes of attrition among top level respondents. **It can be seen from the chart that lack of empowerment, participative culture and decision making, insufficient salary or financial rewards, relationship with immediate boss, discrimination and lack of career advancement are the very strong causes of employee attrition at the top level managemen*t*.**

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Dissatisfaction with the company in general, company policies and procedures, lack of job satisfaction and relationship with subordinates are the strong causes of attrition among top level management.

Lack of training and development and lack of good working environment are the moderate causes of attrition at the top level managers. Starting their own business is a weak cause for leaving an organization by the top management.

Interpretation - Lack of empowerment, participative culture and decision making, insufficient salary or financial rewards, relationship with immediate boss, discrimination and lack of career advancement are the prominent causes of employee attrition at the top level management.

Q28 b).What are the causes of attrition among the middle level management?

Causes of attrition among the middle level management

Causes	Strongly agree (%)	Agree (%)	Neutral (%)	Disagree (%)	Strongly disagree (%)
Dissatisfaction in general	**34.7**	**25.3**	16.0	7.3	16.7
Poor relationship with boss	**50.7**	**28.7**	7.3	7.3	6.0
Poor relationship with colleagues	**32.7**	**26.0**	12.7	14.0	14.7
Poor relationship with subordinates	22.0	26.0	14.7	21.3	16.0
Insufficient salary and financial rewards	**42.7**	**22.0**	14.7	17.3	3.3
Lack of employee benefits	20.7	42.0	11.3	20.0	6.0
Lack of good working environment	14.0	45.3	18.7	14.0	8.0
Lack of training and development	10.0	30.0	26.7	23.3	10.0
Lack of Job satisfaction	**32.7**	**28.7**	22.0	12.7	4.0
Lack of empowerment ,participative culture and decision making	**29.3**	**34.0**	16.0	12.0	8.7
Discrimination	16.7	38.7	14.7	12.7	17.3
Lack of career advancement	**23.3**	**30.7**	24.0	10.7	11.3
Starting own business	10.0	22.0	23.3	28.7	16.0
Company policies and procedure	17.3	30.7	17.3	22.0	12.7

Table no.5.29Causes of attrition among the middle level management

ManagementLevel: middle level
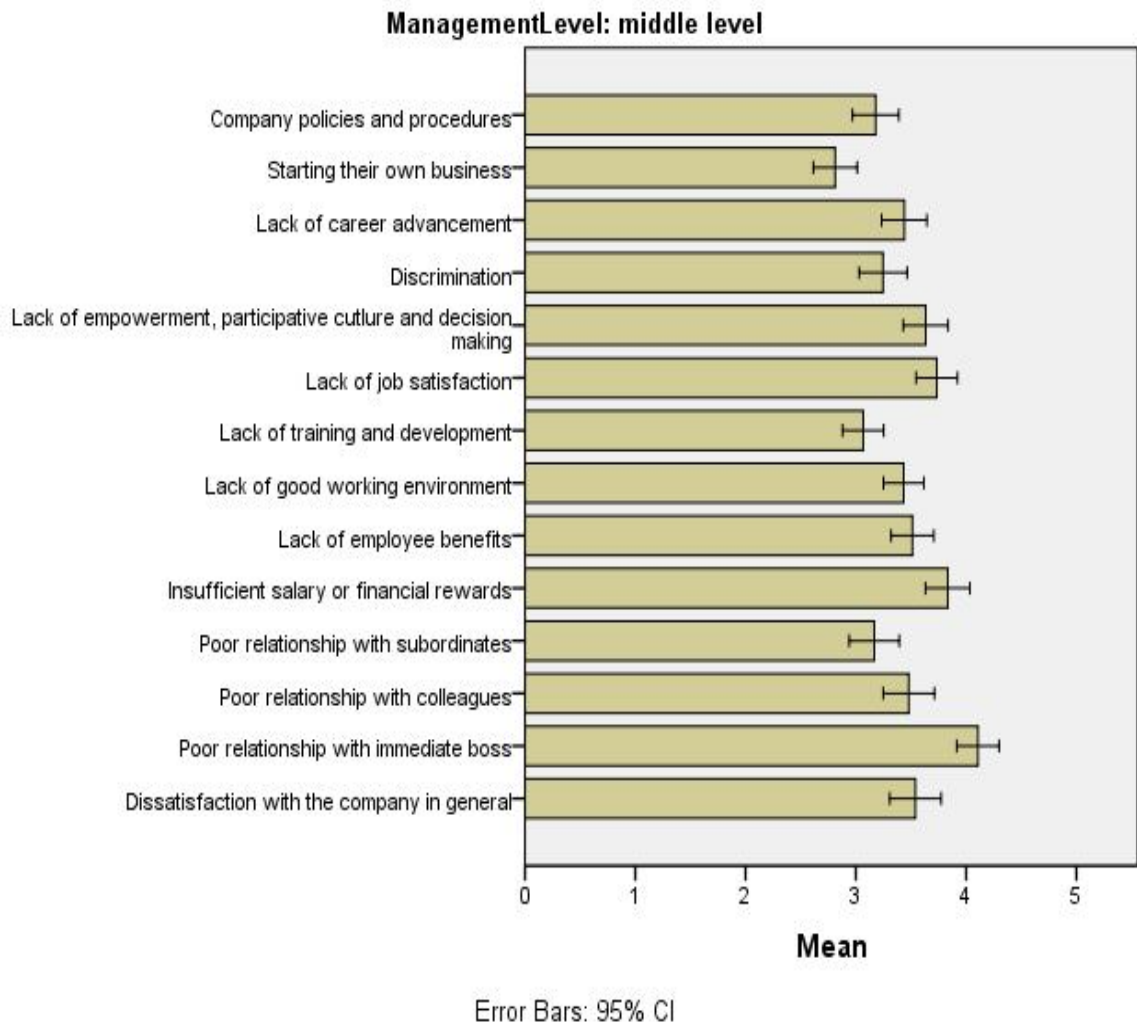
Figure 5.29 : Causes of attrition among the middle level management

Analysis

The above plot shows multiple line graph for causes of attrition among middle level respondents. **It can be seen from the chart that poor relationship with the immediate boss and insufficient salary or financial rewards, lack of job satisfaction and, lack of empowerment, participative culture and decision making are the strongest causes of employee attrition for middle level management**.

Lack of career advancement dissatisfaction with the company in general, lack of employee benefits, , lack of good working environment, relationship with colleagues and discrimination, are the strong causes for leaving an organization by middle level management.

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Company policies and procedures, lack of training and development, poor relationship with subordinates were found the moderate reasons for leaving an organization by the middle level management.

Starting their own business is a week reason for leaving an organization by the middle management.

Interpretation - Poor relationship with the immediate boss, insufficient salary or financial rewards, lack of job satisfaction and, lack of empowerment, participative culture and decision making are the prominent causes of employee attrition at the middle level management.

Q 28 c. What are the causes of attrition among lower level management?

Causes of attrition among lower level management

Causes	Strongly agree (%)	Agree (%)	Neutral (%)	Disagree (%)	Strongly disagree (%)
Dissatisfaction in general	8.7	12.7	14.7	53.3	10.7
Poor relationship with boss	44.7	14.7	4.0	30.0	6.7
Poor relationship with colleagues	22.0	22.0	18.0	35.3	2.7
Poor relationship with subordinates	7.3	15.3	22.0	50.0	5.3
Insufficient salary and financial rewards	65.3	12.7	2.7	16.0	3.3
Lack of employee benefits	28.0	33.3	6.0	27.3	5.3
Lack of good working environment	49.3	18.7	12.0	14.0	6.0
Lack of training and development	6.7	21.3	22.0	36.0	14.0
Lack of Job satisfaction	47.3	29.3	8.0	10.7	4.7
Lack of empowerment ,participative culture and decision making	60.0	20.0	2.7	10.0	7.3
Discrimination	0.7	52.0	33.3	5.3	5.3
Lack of career advancement	62.0	16.7	9.3	6.7	5.3
Starting own business	6.7	6.6	16.1	26.7	44.0
Company policies and procedure	34.7	20.7	11.3	10.0	23.3

Table 5.30 Causes of attrition among the lower level management

ManagementLevel: lower level

Error Bars: 95% CI
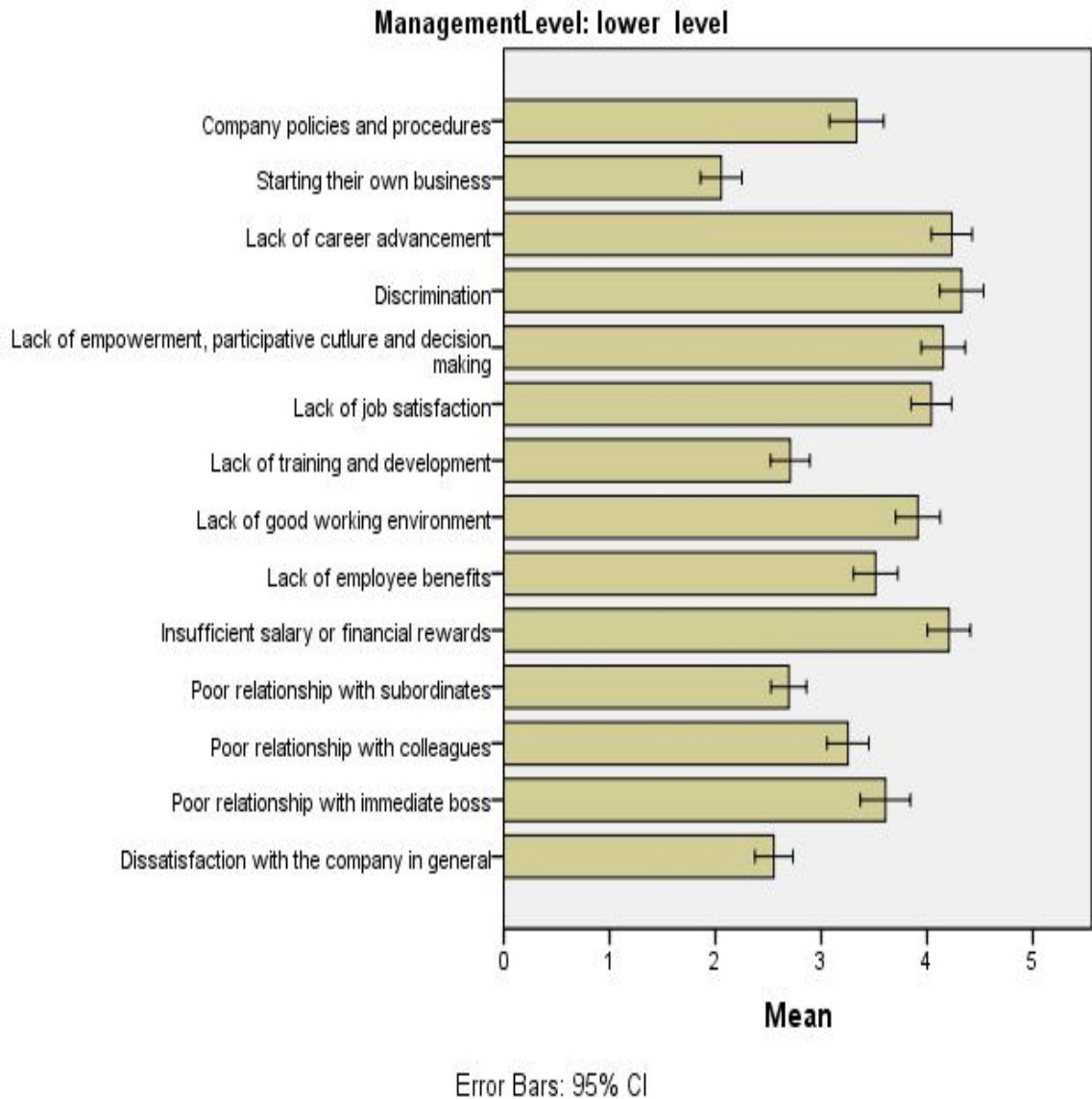
Table 5.30: Causes of attrition among the lower level management

Analysis

Analysis: The above plot shows multiple line graph for causes of attrition among the lower level management .It can be seen from the chart that discrimination, insufficient salary or financial rewards, lack of career advancement, lack of empowerment, participative culture and decision making, lack of job satisfaction, lack of good working environment are the stronger causes of employee attrition for lower level management. Lack of employee benefits, company policies and procedure, poor relationship with immediate boss and colleagues are the moderate causes for leaving an organization by the lower level management.

Lack of training and development, relationship with subordinates, dissatisfaction with the company in general and starting their own business are the week causes for leaving an organization by the lower level management.

Interpretation- Discrimination, insufficient salary or financial rewards, lack of career advancement, lack of empowerment, participative culture and decision making, lack of job satisfaction, lack of good working environment are the prominent causes of employee attrition at the lower level management.

Prominent causes of attrition among top, middle and lower level managers

Top level	Middle level	Lower level
Lack of empowerment, participative culture and decision making	Poor relationship with the immediate boss	Discrimination
Insufficient salary or financial rewards	Insufficient salary or financial rewards ,	Insufficient salary or financial rewards
Relationship with the immediate boss	Lack of job satisfaction	Lack of career advancement
Discrimination	Lack of empowerment, participative culture and decision making	Lack of empowerment, participative culture and decision making
Lack of career advancement	lack of career advancement	Lack of good working environment

Table 5.31: Prominent causes of attrition among top, middle and lower level managers

PRIORITY BASED COMMON CAUSES OF ATTRITION AMONG MANAGERS

1. Poor relationship with the immediate boss

2. Lack of empowerment ,participative culture & decision making

3. Insufficient salary or financial rewards

4. Lack of career advancement

5. Lack of Job satisfaction

Table no.5.32: Priority based common causes of attrition among managers

Q 29. Have you previously worked in any other organization?

Frequency		Percent	Valid Percent	Cumulative Percent
Yes	227	67.8	67.8	67.8
No	108	32.2	32.2	100.0
Total	335	100.0	100.0	

Table 5.33 : Previously worked in other organization.
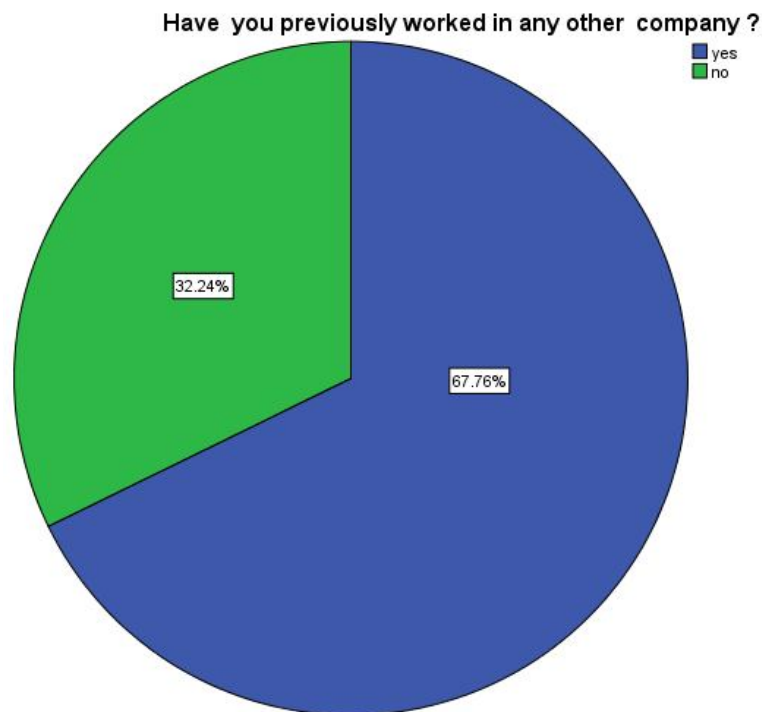
Figure 5.31: Information about having worked previously in other organizations.

Analysis

From the above bar chart it can be seen that 67.8% of respondents said that they had previously worked in other organization whereas 32.2 % respondents said that it is their first job.

Interpretation - Most of the respondents have previously worked in other organization.

Q 30.What is the reason for leaving your previous organization?

Case Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Reasons for leaving previous organization	211	93.0%	16	7.0%	227	100.0%

Reasons for leaving your previous organization

	Responses		Percent of
	N	Percent	Cases
Dissatisfaction With the company in general	30	9.1%	14.2%
Poor relationship with immediate boss	49	14.9%	23.2%
Poor relationship with colleagues	12	3.7%	5.7%
Poor relationship with subordinates	6	1.8%	2.8%
Insufficient salary package and financial rewards	65	19.8%	30.8%
Lack of Employee benefits	5	1.5%	2.4%
Lack of Good working environment	16	4.9%	7.6%
Lack of Training and development	15	4.6%	7.1%
Lack of job satisfaction	11	3.4%	5.2%
Lack of empowerment , participative culture and decision making	39	11.9%	18.5%
Discrimination	28	8.5%	13.3%
Lack of Career advancement	37	11.3%	17.5%
Starting their own business	1	.3%	.5%
Company policies and procedure	14	4.3%	6.6%
Total	328	100.0%	155.5%

Table 5.34 :Reason for leaving previous organization

Analysis

The above table shows multiple response analysis of reasons for leaving the previous jobs. Out of 420 respondents 227 have previously worked in other organizations.

Respondents were asked to choose reasons amongst the 14 opinions provided (whichever is applicable).

From the multiple response analysis it can be seen that 30.8% respondents said Insufficient salary package and financial rewards, 23.2 % said poor relationship with the immediate boss,18.5 % said lack of empowerment , participative culture and decision making 17.5% said lack of career advancement ,14.2% said dissatisfaction with the company in general,13.3 % said discrimination,7.6 % lack of good working environment, 7.1 % said lack of training and development,6.6 % said company policies and procedure,5.7% said poor relationship with colleagues, 5.2 % said lack of job satisfaction, 2.8 % poor relationship with subordinates,2.4 % said lack of employee benefits and .5% said starting their own business are the reasons for leaving the previous job.

Interpretation - Most of the employees had left previous jobs due to insufficient salary package and financial rewards, poor relationship with the immediate boss, lack of empowerment, participative culture and decision making and lack of career advancement. These were the prominent causes for leaving the previous job according to opinion of the employees.

This is the direct reflection of analysis and interpretation of the question number 28 a, 28 b and 28 c.

Q 33 (a) Do you think gap between expectation of superior and actualization by subordinate has a relationship with employee attrition?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	273	81.5	81.5	81.5
	No	62	18.5	18.5	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.35 : Gap between expectation of superior and actualization by subordinate and attrition
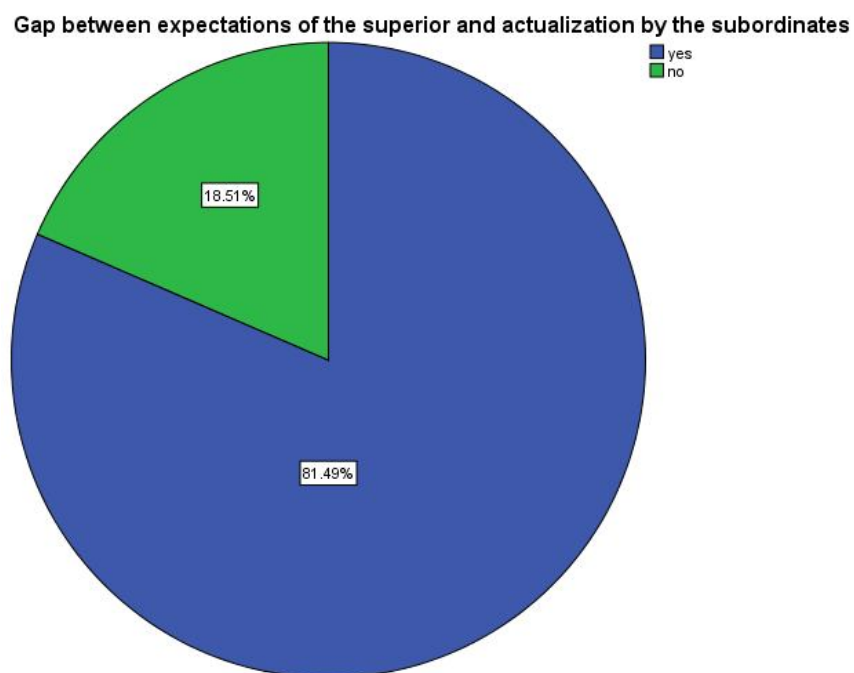
Figure 5.32 : Gap between expectation of superior and actualization by subordinate and attrition

Analysis - From the above table and pie chart it can be seen that 81.5% of respondents said that gap between expectation of superior and actualization by subordinate and attrition has a relationship with employee attrition whereas 18.5% respondents said it does not have positive relation with attrition.

Interpretation - More than 80 % of the respondents said that the gap between expectation of superior and actualization by subordinate has a relationship with employee attrition.

Q 33 (b) Do you think mismatch between job allotment and qualification has a relationship with employee attrition?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	235	70.1	70.1	70.1
	No	100	29.9	29.9	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.36 : Mismatch between job allotment according to qualification and attrition
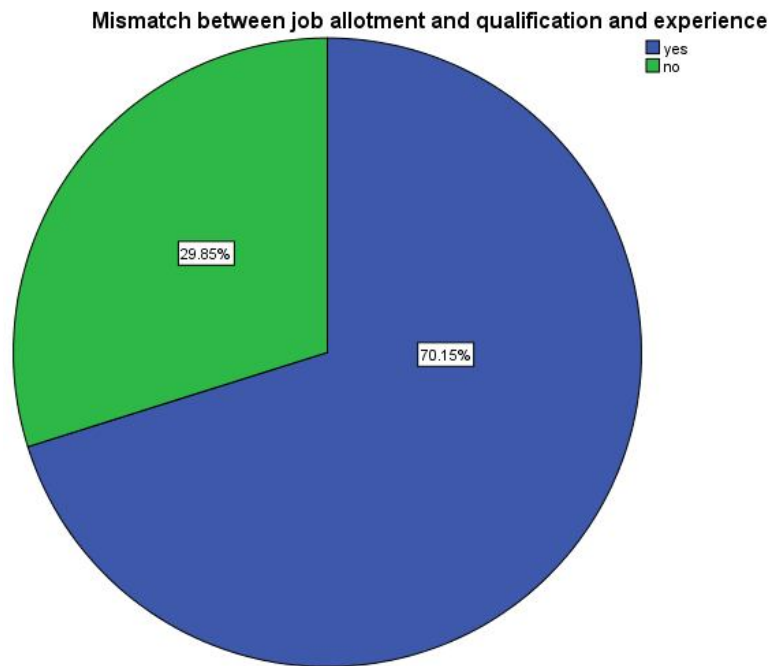
Figure 5.33: Mismatch between job allotment according to qualification and attrition

Analysis

From the above table and pie chart it can be seen that 70.1% of respondents opined that mismatch between job allotment according to qualification has relationship with employee attrition whereas 29.9% respondents said it does not has relation with attrition.

Interpretation - More than 70 % of respondents said that mismatch between job allotment and qualification has a significant relationship with the employee attrition.

Q 33 (c) Do you think absence of succession planning has a relationship with the employee attrition.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	233	69.6	69.6	69.6
	No	102	30.4	30.4	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.37 : Opinion about absence of succession planning and attrition
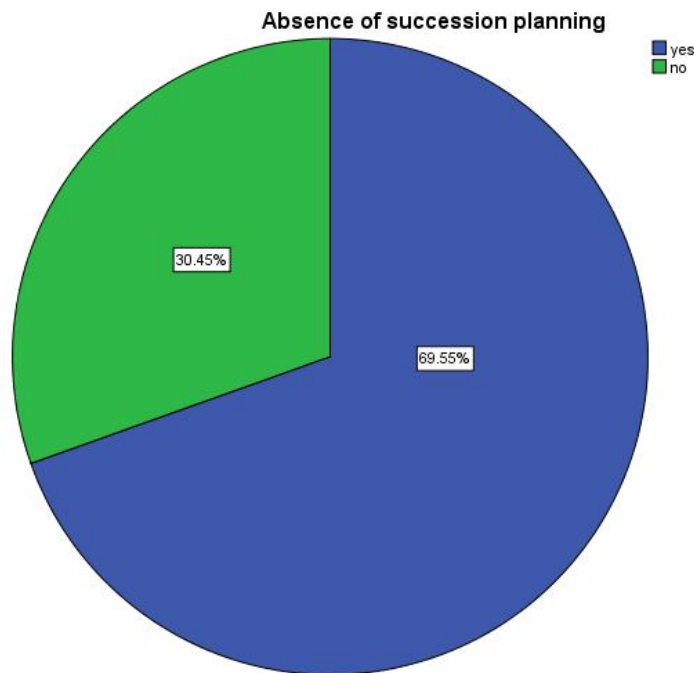
Figure5.34 : Opinion about absence of succession planning and attrition

Analysis

From the above table and pie chart it can be seen that 69.6 % of respondents believe that absence of succession planning leads to employee attrition whereas 30.4% respondents said it does not has a relation with employee attrition.

Interpretation - Most of the respondents (70%) believe that absence of succession planning has significant relationship with employee attrition.

The analysis and interpretation of question 33(a) indicates that 82 % of respondents opined that gap between expectation of superior and actualization by subordinate has a significant impact on employee attrition,33(b) indicates that 70% of respondents opined that mismatch between job allotment according to qualification has significant relationship with employee attrition and 33(c) represents that 69.6 % of respondents opined that absence of succession planning leads to employee attrition.

[I] COMPENSATION

Q 34 Statistical table and histogram showing relationship of salary with attrition.

Statistics		Does your company provide sufficient salary to its employees?	Does your company provides all the benefits?	Are you satisfied with the salary and benefit plans of your company?	Does your company's overall benefit plans fulfill your needs?
N	Valid	335	335	335	335
	Missing	0	0	0	0
Mean		2.72	2.84	2.48	2.31
Std. Deviation		1.392	1.418	1.163	1.302
Skewness		.371	.185	.741	.861
Std. Error of Skewness		.133	.133	.133	.133
Kurtosis		-1.251	-1.290	-.377	-.430
Std. Error of Kurtosis		.266	.266	.266	.266

Table 5.38: Statistics about salary.

Q34(a).Does your company provide sufficient salary ?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	71	21.2	21.2	21.2
	little extent	121	36.1	36.1	57.3
	Neutral	24	7.2	7.2	64.5
	to some extent	69	20.6	20.6	85.1
	to great extent	50	14.9	14.9	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.39: Opinion of respondents about salary
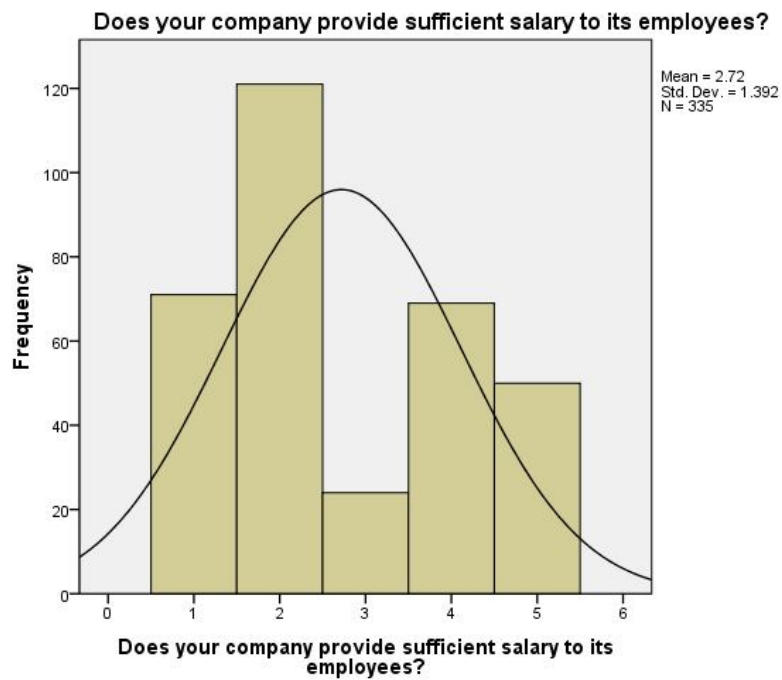
Figure5.35: Opinion of respondents about salary

Analysis

The above table and histogram shows frequency distribution for each category of variable "company provides sufficient salary to its employees along with its descriptive statistics". From the frequency distribution we noticed that about57.3% of

the respondents believe that company does not provide sufficient salary whereas 35.5% are of the opinion that company provides sufficient salary to its employees.

The descriptive statistic table has produced a mean of 2.72 and Standard deviation of 1.392

Histogram shows a right skewed curve and most of the data is piled up on the left side of the x –axis. This shows that most respondents believe that company does not provides sufficient salary to its employees.

Interpretation - More than 55%respondents believe that company does not provide sufficient salary to its employees.

Q 34(b). Does your company provide all the benefits?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	76	22.7	22.7	22.7
	little extent	81	24.2	24.2	46.9
	Neutral	59	17.6	17.6	64.5
	to some extent	60	17.9	17.9	82.4
	to great extent	59	17.6	17.6	100.0
	Total	335	100.0	100.0	

Table 5.40:Opinion of respondents about benefits provided by the company.
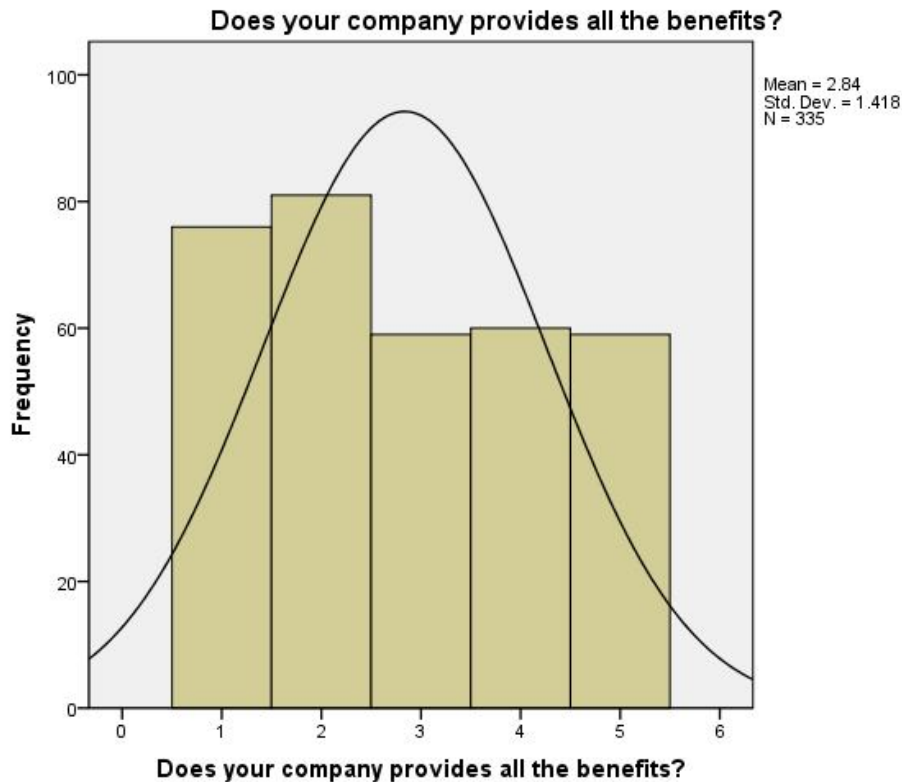
Figure 5.36:Opinion of respondents about benefits provided by the company

Analysis

The above table and histogram shows frequency distribution for the variable "company provides all benefits as per government rules " from the frequency distribution we noticed that about 35.5% of the respondents believe that company provides all benefits whereas 46.9 % are of the opinion company does not provides all benefits to its employees and 17.6 % of the respondents were neutral.

The descriptive statistic table has produced a mean of 2.84 and Standard deviation of 1.418

Histogram shows a right skewed curve and most of the data is piled up on the left side of the x –axis. This shows that most respondents believe that company does not provides all benefits.

Interpretation - There is a mixed opinion about the benefits provided by the company.

Q 34(c).Are you satisfied with the salary and benefit plans of your company?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	57	17.0	17.0	17.0
	little extent	160	47.8	47.8	64.8
	Neutral	43	12.8	12.8	77.6
	to some extent	49	14.6	14.6	92.2
	to great extent	26	7.8	7.8	100.0
	Total	335	100.0	100.0	

Table 5.41: Satisfaction level of respondents with salary and benefit plans of company
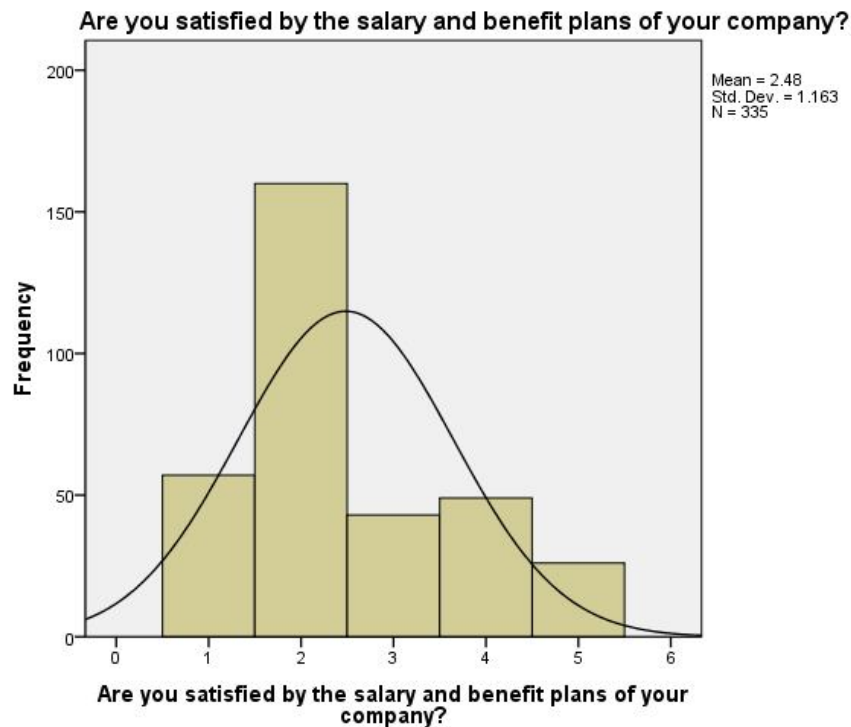
Figure5.37: Satisfaction level of respondents with salary and benefit plans of company

Analysis:

The above table and histogram shows frequency distribution for the variable "satisfaction with salary and benefit plans" from the frequency distribution we noticed that about 22.4% of the respondents are satisfied with salary and benefit

plans" whereas 64.8 % of the respondents are not satisfied with salary and benefit plans of their company and 12.8% are neutral.

The descriptive statistic table has produced a mean of 2.48 and Standard deviation of 1.163

Histogram shows a right skewed curve and most of the data is piled up on the left side of the x –axis. This shows that most respondents are not satisfied with the salary and benefit plans provided by the company.

Interpretation - Most of the respondents are not satisfied with the salary and benefit plans provided by the company.

Q 34(d).Does your company's overall salary and benefit plans fulfill your needs?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not at all	104	31.0	31.0	31.0
	little extent	130	38.8	38.8	69.9
	Neutral	28	8.4	8.4	78.2
	to some extent	38	11.3	11.3	89.6
	to great extent	35	10.4	10.4	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.42 : Fulfillment of needs with salary and benefit plans of the company
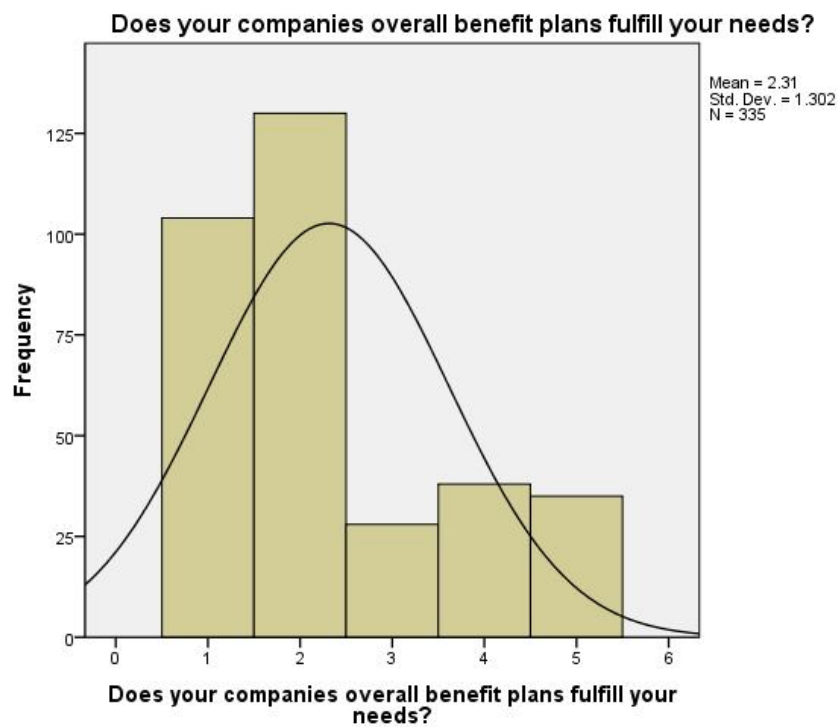
Figure 5.38 : Fulfillment of needs with salary and benefit plans of company

Analysis

The above table and histogram shows frequency distribution for the variable "does your company's overall salary and benefit plans fulfill your needs" from the frequency distribution we noticed that about 69.8% of the respondents believe that company's overall benefit plans do not fulfill their needs whereas 21.7% are of the

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opinion that the benefits plans of the company satisfies their needs and 8.4% are neutral.

The descriptive statistic table has produced a mean of 2.31 and Standard deviation of 1.302

Histogram shows a right skewed curve and most of the data is piled up on the left side of the x –axis. This shows that most respondents believe that company's benefits plans do not satisfy their needs.

Interpretation - Most of the respondents believe that company's benefits plans do not satisfy their needs.

The analysis and interpretation of these question is direct reflection of analysis and interpretation of question no 34 (a, b & c) .

Q35 .What is your opinion about your employer.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Model employer	112	33.4	33.4	33.4
	Impersonal employer	82	**24.5**	24.5	57.9
	Just an employer	74	**22.1**	22.1	80.0
	Nothing special	67	**20.0**	20.0	100.0
	Total	**335**	**100.0**	**100.0**	

Table5.43 :Opinion about the employer
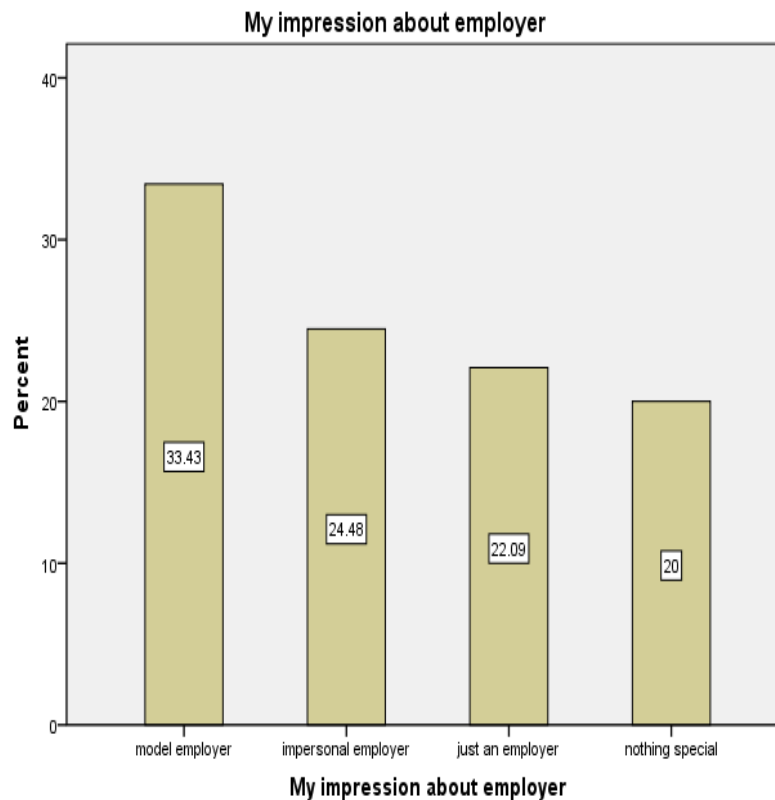
Figure5.39: Opinion about the employer

Analysis

From the above table and bar chart it can be seen that most of the respondents (33.4%) said that their employer is a model employer, 24.5 % said that their employer is impersonal employer, followed by 22.1% said their employer is just an employer whereas 20% said there is nothing special about their employer.

Interpretation

Only 33% of the respondents said that their employer is a model employer.

Q 36.What is your opinion about your staff.

Staff-as employee		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	generally responsible	64	19.1	19.1	19.1
	generally cooperative	92	27.5	27.5	46.6
	just an employee	85	25.4	25.4	71.9
	nothing special	94	28.1	28.1	100.0
	Total	**335**	**100.0**	**100.0**	

Table 5.44: opinion about the staff
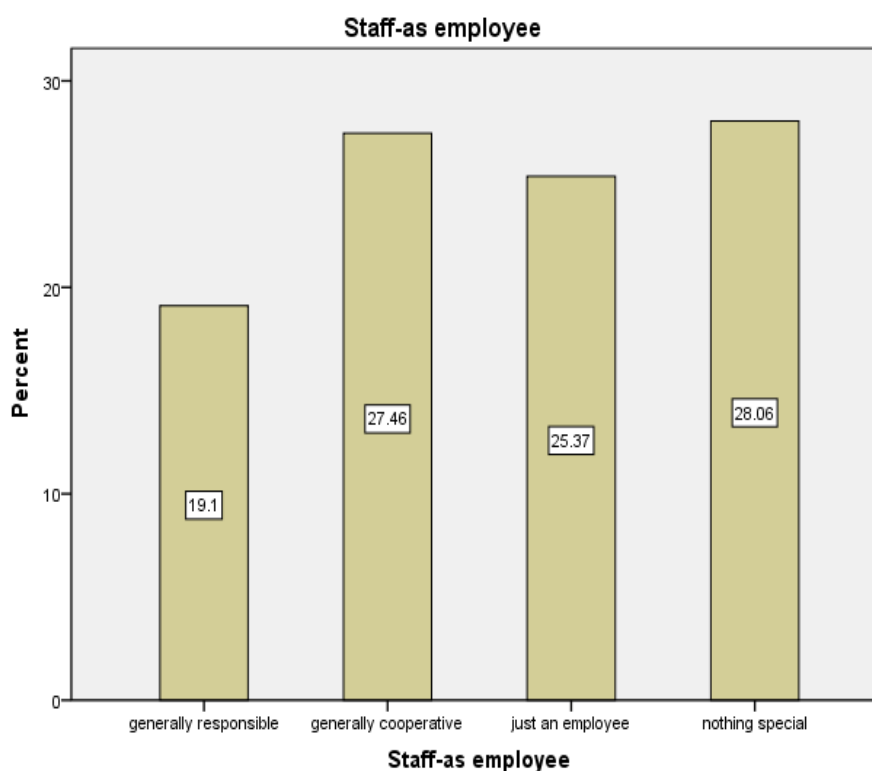
Figure 5.40: opinion about your staff

Analysis

From the above bar chart it can be seen that 27.8% respondents are of the opinion that there is nothing special about their staff, 27.2% said that their staff is generally cooperative, 25.4% said that their staff is just an employee, 19.1% said there is nothing special about their staff.

Interpretation

More than 50% respondents feel that the staff is either just an employee or nothing special (taken together).It reflects the work environment which is not much conductive.

[J] Culture of an Organization

S.No	Statements	To great extent %	To some extent %	Neutral %	little extent %	not at all %
Q.38	Your company provide adequate recognition for contribution and accomplishments	22.1	18.2	4.2	**44.2**	**22.1**
Q.39	Management communicate information about disciplinary action and governance procedure	**29.0**	**36.1**	14.6	15.8	4.5
Q.40	Rules and regulation of the company really motivate you to perform better	13.4	22.1	4.8	**39.1**	**20.6**
Q.41	Company provide opportunity to develop skill that empowers you to carry multitasking	17.6	24.8	6.6	**31.3**	**19.7**
Q.42	Company provided welfare schemes to all employee	**25.1**	**28.7**	18.2	18.5	9.6
Q.43	Management of the company conduct disciplinary enquiry honestly	16.4	20.3	13.7	**24.5**	**25.1**
Q.44	You participate in the decision making process or your opinion is considered while decision making	11.3	14.6	2.4	**46.9**	**24.8**
Q.45	In your organization, dissatisfaction among employees identified at the earliest and initiatives are taken to improve their satisfaction and reduce attrition.	10.1	17.9	5.7	**41.5**	**24.8**
Q.46	Your organization give due recognition to special problems of women employees	7.8	6.0	**83.0**	2.4	.9
Q.47	Organization adjust shifts or sanctions leaves of employees as per the need to ensure that employees get adequate time for self , family and social gathering	**31.6**	**24.5**	9.9	16.7	17.3

Table 5.45: culture of an organization

Error Bars: 95% CI
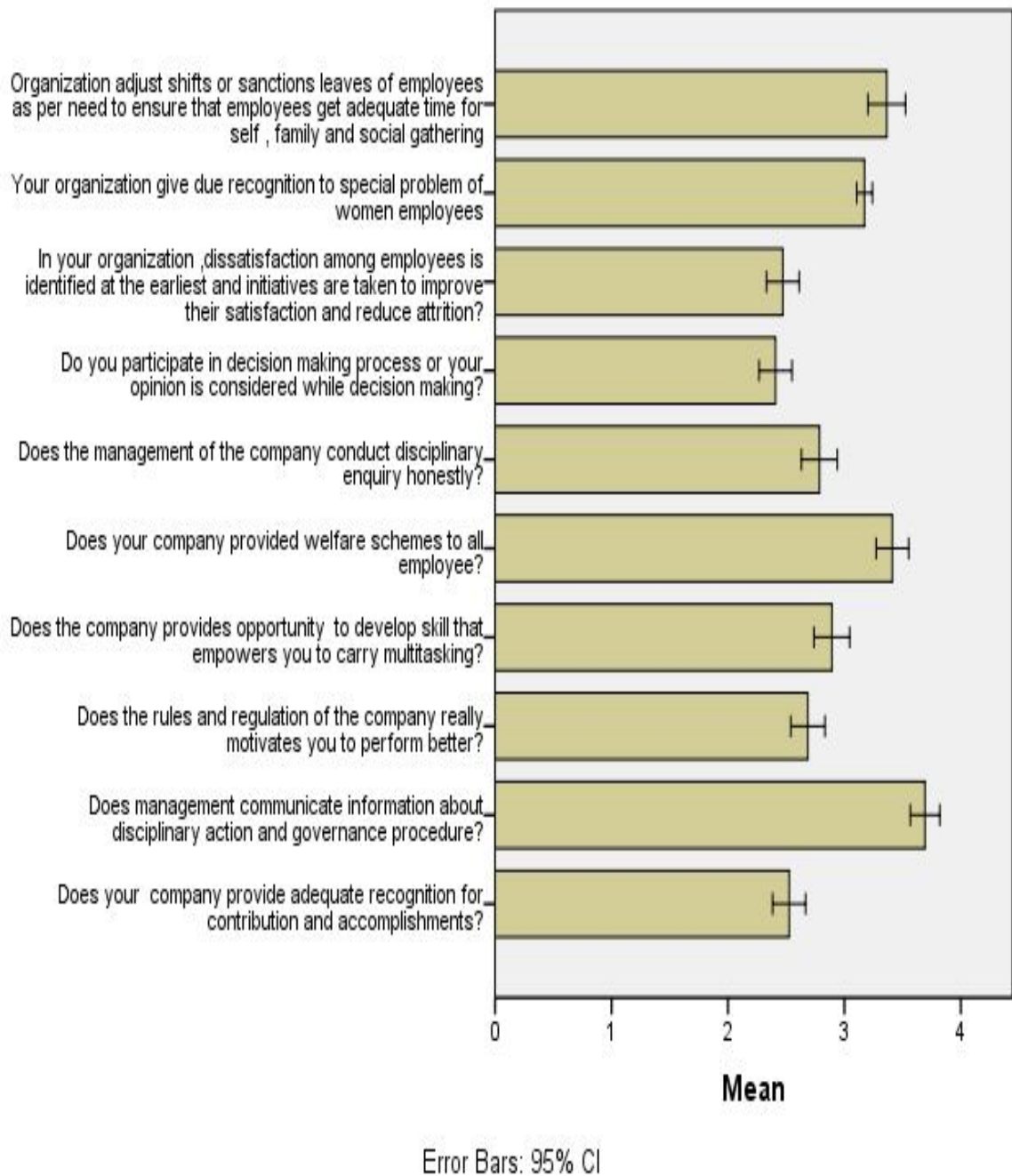
Figure 5.41 : Representing Culture of an organization

Analysis

The above plot shows multiple line graph depicting the culture of the organization .It can be seen that a majority of the respondents said that company does not provide adequate recognition for contribution and accomplishments, the rules and regulations of the company do not motivates the employees to perform better , the company does not provide opportunity to develop skill, employees do not participate in

decision making and dissatisfaction among employees is not identified at the earliest in the organizations.

The respondents agreed that the organization adjusts shifts or sanctions leaves of employees as per their needs to ensure that employees get adequate time for self , family and social gathering, organization gives due recognition to special problems of women employees and the management communicates information about disciplinary action and governance procedure to all and conducts enquiry honestly and the management provide welfare schemes to all.

Interpretation - Most of the respondents feel that rules and regulation of the company does not motivate employees to perform better , company does not provide opportunity to develop skill, company do not provide adequate recognition for contribution and accomplishments, employees does not participate in the decision making and dissatisfaction among employees is not identified at the earliest in the organizations and these are the causes of employee attrition which are indicated by the respondents in table no 5.30 of this thesis.

Only the statutory requirements i.e. question 39 and 42 are fulfilled to great and some extent. Hence it can be concluded that organization culture is one of the prominent causes of employee attrition at the management level.

5.4. ANALYSIS AND INTERPRETATION OF INTERVIEWS

5.4.1. Interviews during survey

- **Interview 1**

Interview of the senior manager of the Production Department

According to one senior manager in charge of production department the following incident took place which is as follows:-

A few years back he was a supervisor and was working with the Truck Department at Chinchwad. Once there was a problem with the machinery. A worker while working on this machine injured his finger and had a few stitches. The same thing happened to 7-8 workers who later worked on that same machine.

The Supervisor's senior complained to the higher authorities in the same plant and also sent an email to the company's Head Office. He also sent a written complaint to the manufacturer of the machine saying that there was a fault in the design of the machine.

Meanwhile the Departments Head called the supervisor to see the machine. When the supervisor saw the machine, he immediately found out what was wrong with the machine. There was a small component which was missing which was essential for the proper functioning of the machine.

The Supervisor returned to the Departmental head and told him that the problem had been solved in 16 hours. The Supervisor's senior was shocked and asked the supervisor whether he was joking or he had really fixed the problem. The Head of the Department called the supervisor to the machine and asked an operator to operate it. The operator said that the problem had been solved. The supervisor's senior was an egoistic person and got angry because the supervisor had solved the problem. After some time, the supervisor's junior was promoted and became his boss and only for a small reason the supervisor was not promoted for eight years and was forced to leave the Truck Department and now the supervisor works in the car manufacturing department where he faces similar problems.

Now the supervisor works in the designation of a manager.

Over here in the car department, the senior manager does not believe in taking preventive measures. Only when an accident takes place he calls the concerned manager and shouts at him in front of other staff and people, which gives them an impression that the senior manager is only taking efforts and others are lazy employees and are hardly working.

The manager thus concludes that there are a lot of politics taking place which is a reason why employees leave an organization.

Interpretation - It was found that a lot of ego exists in the immediate boss and there is lack of recognition, rewards and lack of empowerment to managers.

- **Interview 2**

Interview of manager of production department

There is a lot of internal politics going on in manufacturing companies which is one of the reasons for employees at the managerial level in organizations for getting demotivated. This politics plays a major role in reducing the employee motivation at work, which results in employees at the managerial level leaving an organization and finding better places of employment where they get required motivation.

A newcomer's ability and talent is neither accepted nor appreciated by his immediate boss. Even if the newcomer is exceptionally brilliant and completes his work in the least possible time using his intelligence, he is never encouraged for the good work done by him. The immediate boss expects the subordinate to complete the work using the predefined guidelines. No recognition is given to him and he is supposed to work as per the rules laid down by the company.

Another important factor to be considered is the relationship of the subordinate with his immediate boss. Even if the employee's performance at work is not as per the expectations and if he shares a good relation with his immediate boss, the immediate boss will manipulate the employee's work performance even if it is bad and present it

to the top management in such a way that everything is good. If the employees' relation with his immediate is not good, then the immediate boss will ignore the efforts of that employee and won't share a good opinion about the employee's performance to the top management.

Our company has created an image in the market and has retained its position in the automobile sector due to the ethics and principles of our founder.

Once there was an incident in the organization where an employee who was exceptionally brilliant and hardworking, who used to complete his work keeping in mind the quality of performance expected and also in the required time frame, but his relations with his immediate supervisor were not good, due to which the immediate supervisor created a negative image about the employee's work to the manager, as a result of which the particular employee was never recognized for his hard work and his contributions, as a result of which the employee was not promoted. This created a feeling of disappointment in the mind of the employee due to which he quit his job.

Interpretation

Causes of attrition:
➢ Lack of recognition and reward
➢ Stressed relations between managers and their seniors.

Causes of not leaving the company:
➢ Market image of the company.
➢ Ethics and principles followed by the top leaders.

- **Interview 3**

According to one of the General Manager, employees at the managerial level leave an organization mainly because of the following three reasons which can be stated as follows:

Lack of recognition

Lack of recognition is not only demoralizing for the employees but it can hurt the company's performance and its reputation in the long run. When employees know that their strength and potential will be praised, they are likely to contribute more towards the organization.

It has been noticed that even though employees at the managerial level have put in extra efforts for the company, their efforts have not been recognized. During such a phase it has been observed that employees go through stress & anxiety when they are not appreciated for their efforts. This results in decline in performance by employees at the managerial level. Even when contribution made by employees was not considered, the slightest decline in performance has always been noticed in the organization which has had many negative effects on employees' morale, which has resulted in employees at the managerial level leaving the current organization and finding other employment options which not only provide them with a handsome package but also recognize the efforts taken by them for development of the organization.

Lack of decision making freedom

Another reason why employees' leave this company is their lack of participation in decision making. One reason which keeps employees' motivated at work more than the money factor is their participation in the decision making programs. It has been observed that employees at managerial level are given few chances of participating or sharing their opinion in important decision making programs, which is another reason why employees at the managerial level leave the organization.

<u>Lack of Compensation</u>

When employees at the managerial level have walked that extra mile for the development of the organization, it has been noticed that they have not been appreciated for their efforts in monetary terms. This has resulted in employees at the managerial level leaving the job and finding other places of employment which provide them an excellent pay package for the efforts taken by them.

Interpretation:

Reasons for attrition at the managerial level:

➢ Lack of Recognition

➢ Lack of decision making freedom

➢ Lack of proper compensation

▪ **<u>Interview 4</u>**

Interview of General Manager Research and Development Department

A general manager in Research and Development department said that even at the time of recession a lot of attrition takes place. Now days the automobile industry is facing slowdown but I am continuously getting calls from other companies for job.

Further he said that people who have a good experience prefer to stay in the organization, whereas people with an experience of 3-4 years leave the organization in search of better opportunities.

It has been noticed on a regular basis that in one of the organizations, there are clashes between

➢ Boss & Subordinates

➢ Officers & Subordinates

During the research period the researcher has met three managers at the middle level management who resigned due to internal clashes. Hence at times, even during recession people leave an organization.

Interpretation:

Reasons for attrition:

Clashes between managers and their bosses.

- **Interview 5**

Interview of AGM Training

He said that we are facing dual problems. We are anxious to know about the attrition of few managers but the complacent managers are not ready to leave. The company policies are humanistic approach. So medium performers stay. Now as recession effects are going from bad to worse, the policies would be changed and the 'pay by performance policy would be in vague'.

Interpretation:

During recession a company under research was facing simultaneously problems of positive and negative sides of attrition and retention.

5.4.2. <u>**Interviews after findings**</u>

▪ <u>**Interview with Asst. General Manager**</u>

Q.1 Why is attrition more among male managers? What are the limiting factors for female managers?

Reply: Due to the following reasons, attrition is more among male managers and less in female managers…..

a) As children are growing up, more &more responsibility comes on the female employees.

b) Female managers have more inclination towards balancing work and family life.

c) Female managers have limiting factors of maternity and medical background

d) Female managers have societal pressure from family as compared to male managers for relocation.

e) Male managers can many times easily relocate without family but for females it is not easy.

f) Last but not the least I would say that safety and security at workplace matters more to Female employees.

Q2. What are the reasons of high attrition among lower level managers?

Reply

1) 80 % Employees come under this category in any organization. So obviously, more movement in this level due to urge of climbing to the higher level.

2) They did regular comparison between middle and high level management. They feel all policies are made for top management only.

3) Networking is very Strong among lower level managers.

4) They did not get full recognition and appreciation as that of the top management.

5) They got nearly 25-35 % hike in jumping the job as compared to maximum 8 to10 % yearly salary hikes .

Q3.Why is attrition high in R&D department and low in Human resource department?

Reply

a. Many MNCs have reached the maximum level on the amount of R&D work & resources. Around 30-40% of their overall R&D activity is now in India & China So obviously demand is more.

b. Many organizations offer more salaries to R&D employees (As design Allowance)

c. Almost all companies are putting their top talent in R&D department and they always want to work on newer and newer assignments and do not want to work regular boring work so retaining them is the big challenge of any organization.

d. Now in MNCS most of the work is carried out by off shoring to other countries so there are possibilities of working in Global platforms which is not happening in Human Resource department.

Q4. Why are the managers not satisfied with retention policy and exit Interviews. What are the probable causes?

Reply

a. Currently there is huge gap between retention policies on paper and actual implementation on floors.

b. Organizational retention policies say about Job Enrichment, Employee Involvement and Training for competency enhancement but due to many practical constraints it will not possible to fulfill as expected.

c. This is done on the assumption that a person who is about to leave the company's employment is not likely to be constrained by fear of incurring displeasure of superiors, in giving free and frank opinion about the company, In this way the company seeks to gain insights on possible causes of dissatisfaction of employees in the company but many managers feel that these inputs needs to be put in policies and implementation on these areas is a key factor for employee satisfaction.

d. Last but not the least if company is not stable & not motivating the workforce then retention policies are always on paper.

Q5. Most of the managers said that empowerment is not given to them and they are not involved in decision making .What may be the reason?

Reply

    a) Actually this said empowerment should be through not the firm but in reality it is not happening. Only top managers are providing inputs to decision making and they take for granted all other employees suggestions.

    b) Top hierarchy is so big that a specific employee cannot take proper decisions for himself

    c) Fear in top management of leaking confidential information & what if your employee makes a big mistake, after being empowered.

    d) Understand empowerment is not given but it has to be increased by removing the obstacles that prevent us from realizing our potential.

    e) Managers fail to establish boundaries and trust

Q6. Please give your valuable suggestions or strategies for reducing attrition at managerial level.

Reply

In my opinion the following points need to be considered to reduce attrition at the managerial level

    1) Clearly define roles and responsibilities. Make sure your employees know what is expected of them every day, what type of decisions they are allowed to make on their own area.

    2) Provide adequate advancement opportunities and develop promotion strategies on contribution level.

    3) Do or Conduct employee satisfaction surveys frequently.

    4) Offer fair and competitive salary. Revise salaries more frequently or annually based on skill level and experience.

    5) Encourage learning with open mind.

    6) Show your employees that you value them, reward individually and team.

    7) Work-life balance initiatives are important.

    8) Provide the employees a stress free work environment

    9) Last but not least Work culture, supervisor's management style are clearly key factors that should be paid attention to.

Interview 2

Q1. Why Attrition is more in male managers? What are the limiting factors for female managers?

Reply-

The answer is obvious. Males are more career oriented while lady employees have many limiting factors like, location constraints, family responsibilities etc.

Q2. What are the reasons of high attrition in lower level managers?

Reply

Lower level managers – attrition is high because of higher education, particularly abroad, more job opportunities. This is the age where the employees explore more job opportunities. They have lesser or no family responsibilities and therefore are in a better position to take chances with their careers. One more reason they have many expectations from the job, employer which are not necessarily justified. This makes them look for the job which suits them.

Q3.Why attrition is high in R&D department and Low in Human Resource department?

Reply

Automobile companies are now focusing more on R&D.

Q4. Why the managers are not satisfied with retention policy and exit Interviews. What are the probable causes?

Reply

Because they feel it is just a ritual and management/HR don't take it seriously.

Q5. Why there is absence of succession planning?

Reply

As regards succession planning, I feel it is not so challenging. If the successor is not available from within companies should take lateral hire. For developing successor, many companies have talent management initiatives like creating talent pool of employees, development centers etc. You can thus retain talented employees and help them making great career in the company.

Q6. Most of the managers said that empowerment is not given to them and they are not involved in decision making .What may be the reason?

Reply

I feel the reason is the inability of the management to develop such managers.

5.5. TESTING OF HYPOTHESIS

Hypothesis: 1 a

Purpose: A Friedman Chi Square test was used to study if there is a significant difference in the importance attached to the causes of attrition **by top level management**.

H_0	:	There is no difference in the importance attached to the causes of employee attrition.
H_1	:	There is a significant difference in the importance attached to the causes of employee attrition.
Statistical tool :		Friedman Chi Square Test

Variable and Measurement

Respondents were offered fourteen common causes of attrition and were asked to rate each cause on a five point scale to understand the importance that they attached to each cause as a determinants of employee attrition.

Level of significance $\alpha = 0.05$

Friedman Test
Test Statistics

N	35
Chi-square	104.645
Df	13
Asymp. Sig.	.000

a. Management Level = top level
b. Friedman Test

Ranks

	Mean Rank
Dissatisfaction with the company in general	7.60
Poor relationship with the immediate boss	8.86
Poor relationship with the colleagues	7.16
Poor relationship with the subordinates	6.63
Insufficient salary or financial rewards	10.31
Lack of employee benefits	6.94
Lack of good working environment	6.07
Lack of training and development	6.09
Lack of job satisfaction	6.86
Lack of empowerment, participative culture and decision making	10.56
Discrimination	8.71
Lack of career advancement	8.37
Starting their own business	3.96
Company policies and procedures	6.89

a. Management Level = Top level

Observation:

χ^2 (13) =104.645, P=0.000,N=35

Conclusion:

Since the P value is less than level of significance (0.05) the **null hypothesis is rejected** .We therefore conclude that there is a significant difference in the importance attached to the causes of employee attrition by top management.

We referred to ranks table to understand the importance of each factor as a cause for employee attrition. Lack of empowerment, participative culture and decision making (mean rank=10.56) , insufficient salary or financial rewards(mean rank=10.31) , poor relationship with immediate boss (mean rank=8.86) discrimination(mean rank=8.71) and dissatisfaction with the company in general(mean rank=8.60), are the stronger causes of employee attrition followed by poor relationship with colleagues (mean rank=7.16), lack of employee benefits (mean rank=6.94), company policies and procedures (mean rank=6.89), lack of job satisfaction (mean rank=6.86), relationship with subordinates (mean rank=6.63), lack of training and development(mean rank=6.09), lack of good working environment(mean rank=6.07) and starting their own business(3.96).

Lack of empowerment, participative culture and decision making, insufficient salary or financial rewards, relationship with immediate boss, discrimination and dissatisfaction with the company in general are the prominent causes of attrition for the top management.

b) A Friedman Chi Square test was used to study if there is a significant difference in the importance attached to the causes of attrition **for middle level management**.

H_0 :   There is no difference in the importance attached to the causes of employee attrition.

H_1 :   There is a significant difference in the importance attached to the causes of employee attrition.

Variable and Measurement

Respondents were offered fourteen common causes of attrition and were asked to rate each cause on a five point scale to understand the importance that they attached to each cause as a determinants of employee attrition.

Level of significance = α 0.05

Ranks

	Mean Rank
Dissatisfaction with the company in general	8.17
Poor relationship with the immediate boss	9.60
Poor relationship with the colleagues	7.76
Poor relationship with the subordinates	6.68
Insufficient salary or financial rewards	9.01
Lack of employee benefits	7.57
Lack of good working environment	7.21
Lack of training and development	6.17
Lack of job satisfaction	8.44
Lack of empowerment, participative culture and decision making	8.13
Discrimination	6.83
Lack of career advancement	7.24
Starting their own business	5.65
Company policies and procedures	6.53

a. Management Level = Middle level

Test Statistics

N	150
Chi-square	162.671
Df	13
Asymp. Sig.	.000

a. Management Level = Middle level Observation:

$\chi^2 (13) = 162.671$,P=0.000,N=150

Conclusion:

Since the P value is less than level of significance (0.05) the **null hypothesis is rejected** .We therefore conclude that there is a significant difference in the importance attached to the causes of employee attrition by middle management.

We refer to ranks table to understand the importance of each factor as a cause for employee attrition. Poor relationship with the immediate boss (mean rank=9.60), insufficient salary or financial rewards(mean rank=9.01) , lack of job satisfaction(mean rank=8.44),dissatisfaction with the company in general(mean rank=8.17), attrition lack of empowerment, participative culture and decision making (mean rank=8.13), relationship with colleagues (mean rank=7.76), lack of employee benefits (mean rank=7.51), lack of career advancement (mean rank=7.24), lack of good working environment(mean rank=7.21 are the stronger causes of attrition .

Discrimination (mean rank=6.83), Relationship with subordinates (mean rank=6.41), company policies and procedures (mean rank=6.53), and starting their own business (mean rank=5.65) are the weak causes of attrition at middle level management.

Poor relationship with immediate boss (mean rank=9.60), insufficient salary or financial rewards (mean rank=9.01), lack of job satisfaction (mean rank=8.44), dissatisfaction with the company in general (mean rank=8.17), attrition lack of empowerment, participative culture and decision making (mean rank=8.13), are the most prominent causes of employee attrition for the middle level management.

c) A Friedman Chi Square test was used to study if there is a significant difference in the importance attached to the causes of attrition **for lower level management**.

H_0 : There is no difference in the importance attached to the causes of employee attrition.

H_1 : There is a significance difference in the importance attached to the causes of employee attrition.

Variable and Measurement

Respondents were offered common causes of attrition and were asked to rate each cause on a five point scale to understand the importance that they attached to each cause as a determinants of employee attrition.

Level of significance = α 0.05

Ranks

	Mean Rank
Dissatisfaction with the company in general	5.13
Poor relationship with the immediate boss	7.93
Poor relationship with the colleagues	6.72
Poor relationship with the subordinates	5.28
Insufficient salary or financial rewards	9.67
Lack of employee benefits	7.47
Lack of good working environment	8.74
Lack of training and development	5.33
Lack of job satisfaction	8.93
Lack of empowerment, participative culture and decision making	9.43
Discrimination	9.51
Lack of career advancement	9.68
Starting their own business	3.90
Company policies and procedures	7.27

a. Management Level = lower level

Test Statistics

N	150
Chi-square	518.590
df	13
Asymp. Sig.	.000

a. Management Level = lower level

Observation:

χ^2 (13)=518.590,P=0.000,N=150

Conclusion:

Since the P value is less than level of significance (0.05) the **null hypothesis is rejected**.

We therefore conclude that there is a significant difference in the importance attached to the causes of employee attrition by lower management.

We referred to ranks table to understand the importance of each factor as a cause for employee attrition.

Insufficient salary or financial rewards(mean rank=9.67) , Lack of career advancement (mean rank=9.68), Discrimination (mean rank=9.51), lack of empowerment, participative culture and decision making (mean rank=9.43) ,lack of job satisfaction(mean rank= 8.94) and lack of working environment (mean rank= 8.74) are the stronger causes of employee attrition followed by) relationship with immediate boss (mean rank=7.93), lack of employee benefits(mean rank=7.47), company policies and procedures(mean rank=7.27) ,relationship with colleagues (mean rank=6.72), relationship with subordinates (mean rank=5.28), lack of training and development(mean rank=5.33and starting their own business(mean rank=3.90) are the weak causes of attrition at lower level management.

Insufficient salary or financial rewards (mean rank=9.67), Lack of career advancement (mean rank=9.68), Discrimination (mean rank=9.51), lack of empowerment, participative culture and decision making (mean rank=9.43), lack of job satisfaction (mean rank=8.94) and lack of working environment (mean rank=8.74) are the most prominent causes of employee attrition for the lower level management.

Hypothesis 2:

H_0 : There is no relationship between performance appraisal and employee attrition.

H_1 : There is significant relationship between performance appraisal and employee attrition.

Purpose:

1. To study whether proportion of respondents agree to the statement "Do you think that after performance appraisal the employee attrition increases" is equal to or less than 50%.($p \leq 0.5$)

2. To study whether proportion of respondents agree to the statement "Do you think that after performance appraisal the employee attrition increases" is more than 50%. (p >0.5)

Statistical tool : Sign Binomial Test

Variables and measurement

The variable "Do you think that after performance appraisal the employee attrition increases" was measured on nominal scale with two response options 1=Yes, 2=No

Level of significance α =0.05

Test proportion .5

A 50-50 response for a binomial variable indicates equilibrium situation.

Response is more than 50% for any category (YES) in this case indicates more agreeableness.

Hence.5 was taken as a test proportion.

Binomial Test

		Category	N	Observed Prop.
Do you think that after performance appraisal the attrition increases?	Group 1	yes	220	.66
	Group 2	no	115	.34
	Total		**335**	**1.00**

Binomial Test

		Test Prop.	Asymp. Sig. (2-tailed)
Do you think that after performance appraisal the attrition increases?	Group 1	.50	.000[a]
	Group 2		
	Total		

a. Based on Z Approximation.

Observation

Observed proportion =.66, Test proportion =.50, p=0.000, n=335

Conclusion

Since p (0.000) value is less than level of significance (0.05) the

The null hypothesis is rejected .Hence it is conclude that the proportion of respondents agree to the statement "Do you think that after performance appraisal the employee attrition increases" is significantly greater than 50%.

Hence we conclude that attrition increases post performance appraisal.

Hypothesis 3:

H_o   :   Organization culture factors do not influence employee attrition.

H₁   :   At least one of the factors of organizational culture has significance

impact on employee attrition.

Purpose:

1. The proportion of respondents disagreeing is equal to or less than 50%. ($P \leq 0.5$)

2.   The proportion of respondents disagreeing is greater than 50%.($P > 0.5$)

Statistical test   :   Sign Binomial Test

Organization culture was assessed across the following components-

1. Company provides adequate recognition for contribution and accomplishments.

2. Management communicates information about disciplinary action and governance

procedure.

3. Rules and regulations of the company really motivate you to perform better.

4. Company provides opportunity to develop skill that empowers to carry

multitasking.

5. Company provides welfare schemes to all employees.

6. Management of the company conduct disciplinary enquiry honestly.

7. Participation in decision making process.

8. Dissatisfaction among employees is identified at the earliest and initiatives are

taken to improve their satisfaction and reduce attrition.

9. Organization gives due recognition to special problem of women employees.

10. Organization adjusts shifts or sanctions leaves of employees as per need to ensure

that employees get adequate time for self, family and social gathering.

Respondents were presented with ten statements related to the organizational culture.

Further they were asked to rate every statement on a five point scale. ((5= To great

extent,4=To some extent ,3=neutral,2= little extent,1=not at all)

To make the variable convenient for binomial test the five point scale was converted

in to two point scale choosing the cut point option in SPSS.

The cut point selected was 3 this divided the data into two groups

[<3= (disagree) and >3=(agree)]

Justification for test proportion

For the nominal variable with two response options 50-50 response situation indicates equilibrium.

Hence if the proportion of the respondents is more than 50% for the category 'disagree' this indicates less agreeableness to the statement .Hence test proportion was taken .50

Dependent Variable –Employee attrition

Level of significance=0.05

Binomial Test

		Category	N	Observed Prop.
Company provides adequate recognition for contribution and accomplishments	Group 1	<= 3	236	.70
	Group 2	> 3	99	.30
	Total		335	1.00
Management communicates information about disciplinary action and governance procedure	Group 1	<= 3	117	.35
	Group 2	> 3	218	.65
	Total		335	1.00
Rules and regulation of the company really motivates you to perform better?	Group 1	<= 3	216	.64
	Group 2	> 3	119	.36
	Total		335	1.00
Company provides opportunity to develop skill that empowers you to carry multitasking	Group 1	<= 3	193	.58
	Group 2	> 3	142	.42
	Total		335	1.00
Your company provides welfare schemes to employees	Group 1	<= 3	155	.46
	Group 2	> 3	180	.54
	Total		335	1.00
Management of the company conduct disciplinary enquiry honestly	Group 1	<= 3	212	.63
	Group 2	> 3	123	.37
	Total		335	1.00
You participate in decision making process or your opinion is considered while decision making.	Group 1	<= 3	248	.74
	Group 2	> 3	87	.26
	Total		335	1.00
In your organization ,dissatisfaction among employees is identified at the earliest and initiatives are taken to improve their satisfaction and reduce attrition	Group 1	<= 3	241	.72
	Group 2	> 3	94	.28
	Total		335	1.00
Your organization give due recognition to special problem of women employees	Group 1	<= 3	289	.86
	Group 2	> 3	46	.14
	Total		335	1.00
Organization adjust shifts or sanctions leaves of employees as per need to ensure that employees get adequate time for self , family and social gathering	Group 1	<= 3	147	.44
	Group 2	> 3	188	.56
	Total		335	1.00

Binomial Test

		Test Prop.	Asymp. Sig. (2-tailed)
Company provides adequate recognition for contribution and accomplishments	Group 1	.50	.000[a]
	Group 2		
	Total		
Management communicates information about disciplinary action and governance procedure	Group 1	.50	.000[a]
	Group 2		
	Total		
Rules and regulation of the company really motivates you to perform better	Group 1	.50	.000[a]
	Group 2		
	Total		
Company provides opportunity to develop skill that empowers you to carry multitasking	Group 1	.50	.006[a]
	Group 2		
	Total		
Your company provides welfare schemes to employees	Group 1	.50	.190[a]
	Group 2		
	Total		
Management of the company conduct disciplinary enquiry honestly.	Group 1	.50	.000[a]
	Group 2		
	Total		
You participate in decision making process or your opinion is considered while decision making.	Group 1	.50	.000[a]
	Group 2		
	Total		
In your organization ,dissatisfaction among employees is identified at the earliest and initiatives are taken to improve their satisfaction and reduce attrition	Group 1	.50	.000[a]
	Group 2		
	Total		
Your organization give due recognition to special problem of women employees	Group 1	.50	.000[a]
	Group 2		
	Total		
Organization adjust shifts or sanctions leaves of employees as per need to ensure that employees get adequate time for self , family and social gathering	Group 1	.50	.029[a]
	Group 2		
	Total		

a. Based on Z Approximation.

1. Variable 'Company provide adequate recognition for contribution and accomplishments' observed proportion .70 test proportion.50 category' disagree' p value=0.000.Hence it is concluded that more than 50 % respondents are disagree that company provide adequate recognition for contribution and accomplishments.

2. Variable 'Management communicate information about disciplinary action and governance procedure' observed proportion .35 test proportion.65 category 'disagree' p value=0.000. Hence it is concluded that more than 50 % respondents are disagree that management communicate information about disciplinary action and governance procedure.

3. Variable 'Rules and regulation of the company motivates you to perform better' observed proportion .58 test proportion.42 category 'disagree' p value=0.000. Hence it is concluded that more than 50 % respondents are disagree that the rules and regulation of the company motivates to perform better.

4. Variable 'Company provides opportunity to develop skill that empowers you to carry multitasking' observed proportion .64 test proportion.36 category 'disagree' p value=0.000. Hence it is concluded that more than 50 % respondents are disagree that the company provides opportunity to develop skill that empowers you to carry multitasking.

5. Variable ' Company provided welfare schemes to employees' observed proportion .46 test proportion.54 category 'disagree' p value=0.190 is more than level of significance. Hence the proportion of respondents 'disagree' to the statement 'company provided welfare schemes to employees 'is equal to or less than 50%

6. Variable 'Management of the company conduct disciplinary enquiry honestly' observed proportion .64 test proportion.37 category 'disagree' p value=0.000. Hence it is concluded that more than 50 % respondents are disagree that the management of the company conduct disciplinary enquiry honestly.

7. Variable 'participation in decision making process or your opinion is considered while decision making' observed proportion. 74 test proportion. 26 category

'disagree' p value=0.000. Hence it is concluded that more than 50 % respondents are disagree that, they participate in decision making process or their opinion is considered while decision making.

8. Variable 'Dissatisfaction among employees is identified at the earliest and initiatives are taken to improve their satisfaction and reduce attrition' observed proportion .72 test proportion.28 category 'disagree' p value=0.000. Hence it is concluded that more than 50 % respondents are disagree that dissatisfaction among employees is identified at the earliest and initiatives are taken to improve their satisfaction and reduce attrition.

9. Variable 'Organization give due recognition to special problem of women employees' observed proportion .86 test proportion.14 category 'disagree' p value=0.000. Hence it is concluded that more than 50 % respondents are disagree that your organization give due recognition to special problem of women employees.

10. Variable 'Organization adjust shifts or sanctions leaves of employees as per need to ensure that employees get adequate time for self , family and social gathering' observed proportion .44 test proportion.56 category 'disagree' p value=0.029 is more than level of significance . Hence the proportion of respondents disagreeing to 'Organization adjust shifts or sanctions leaves of employees as per need to ensure that employees get adequate time for self , family and social gathering' is equal to or less than 50%.

Out of 10 statements in case of 7 statements reveals that culture of an organization is unfavorable for retention of managers.

Hence it is concluded that organization Culture factors has significance impact on employee attrition and **null hypothesis is rejected and alternative hypothesis is retained**.

5.6. Conclusion:

The data collected from the pilot study, main survey, interviews during survey and interviews after findings is analyzed, interpreted and presented systematically. Based on these the findings and suggestions are presented in the next chapter.

CHAPTER 6.

FINDINGS, SUGGESTIONS CONCLUSIONS AND RECOMMENDATIONS

6.1. Introduction

6.2. Findings

6.3. Suggestions and Recommendations

6.4. Original contribution at doctoral level

6.5. Dimensions for further Research

6.6. Conclusions

CHAPTER 6.

FINDINGS, SUGGESTIONS CONCLUSIONS AND RECOMMENDATIONS

6.1. Introduction

After analysis and interpretation of the pilot study, main survey, interviews during survey and post survey interviews the findings, suggestions and recommendations are presented in this chapter.

6.2. Findings of the research

1) Personal Factors

- 61% of the respondents are between 30 -40 years, 29.6 are below 30 years of age and 9.65 are above 40 years.
- 97% are male and 78% are married.
- 94.6% of the respondents are engineers. Majority of them (62.7%) are working in current organization from 1 to 5 years.

2) Current Trend of attrition in automobile industry

- Except in the year 2009 attrition was high in 2008, 2010, 2011 and 2012 .

When this question was asked to Human resource managers they said that the global economic slowdown was started in middle of 2008 and it was on peak in 2009.This year most of the organizations had frozen the salary increase as well as recruitments and even delayed their performance processes. However from August 2009 onwards the situation improved slowly and it gain the pace in 2010 .So after 2009 there were large number of vacancies available in market and again attrition rate was increased.

- Attrition is high among the engineers below 30 years working at a lower level.
- Attrition is high in Research and Development department and low in human resource department.

According to the human Resource managers, Companies provide attractive design allowance to the managers working in the research and development department to attract them.

3) **Training and Development**

- All the companies under research are providing training and development to all the levels of managers. By and large the respondents are satisfied with the training and development programs.

- 67% of them find training programs useful for their career development.

- 65% of the respondents believe that training programs do not help to manage the stress at work place and have mixed opinions about the contribution of training in reducing employee attrition.

4) **Performance Appraisal and employee attrition**

- All the companies under research conduct performance appraisal of employees. Most of the respondents are dissatisfied with performance appraisal system.

- About 70% said that performance appraisal is a fault finding mechanism and a periodic ritual.

- 61.2 % of the respondents said that the moral and motivation decreases after performance appraisal and its periodic ritual.

- 66% of the respondents said that employee attrition increases after performance appraisal.

- Thus it can be seen that performance appraisal system of the companies under research is not making much positive contribution to the HR development and organization development system.

5) **Impact of employee attrition on production, moral and motivation and image of a company.**

- 60% respondents believe that production gets affected due to attrition.

- 58.8% said that the morale and motivation of existing employees decreases due to attrition.

- 56.4% respondents believe that the image of the company gets spoiled due to attrition.

6) **Retention Policy and exit interview**

- 78% of the respondents said that there is a retention policy in their organization but are not satisfied with the retention policy. Maximum respondents said that retention policy helps to control attrition.

- 94% of the respondents said that exit interview is conducted in their organization Managers but they are not satisfied with the implementation of the same in their respective companies.

7) **Causes of attrition among top level , middle level and lower level managers**

- Lack of empowerment, participative culture and decision making, insufficient salary, relationship with immediate boss and discrimination are the major causes of attrition among top level management.

- Poor relationship with immediate boss, insufficient salary, Lack of Job satisfaction, lack of empowerment, participative culture and decision making and lack of career advancement major causes of attrition among the middle level management.

- Discrimination, insufficient salary, lack of career advancement, lack of empowerment, participative culture and decision making and lack of good working environment are the major causes of attrition among the lower level management.

8) **Previously worked in another organization.**

- About 68% of the respondents have previously worked in some other organization.

  From the multiple response analysis it can be seen that 30.8% respondents said Insufficient salary package and financial rewards, 23.2 % said poor relationship with the immediate boss,18.5 % said lack of empowerment , participative culture and decision making 17.5% said lack of career advancement ,14.2% said dissatisfaction with the company in general,13.3 % said discrimination,7.6 % lack of good working environment, 7.1 % said lack of training and development,6.6 % said company policies and procedure,5.7% said poor relationship with colleagues, 5.2 % said lack of job satisfaction, 2.8 % poor relationship with subordinates,2.4 % said lack of employee benefits

and .5% said starting their own business are the reasons for leaving the previous job

- For top level- 19 respondents said management lack of empowerment, participative culture and decision making ,19 said poor relationship with the immediate boss ,15 said insufficient salary package ,8 said Discrimination and 6 said career advancement were the prominent reasons for leaving the previous job.

- For middle level- 30 respondents said poor relationship with the immediate boss,21 said insufficient salary,12 said discrimination, 11 said career advancement and 10 respondents said lack of decision making were the prominent reasons for leaving the previous job.

- For lower level- 29 respondents said insufficient salary ,20 said career advancement,18 said discrimination lack 10 respondents said lack of participative culture and decision making were the prominent reasons for leaving the previous job.

9) **Gap between expectation of the management and actualization by the subordinates, mismatch between job allotment and qualification and lack of effective succession planning and employee attrition.**
   - 80 % of the respondents said that if there is a gap between expectation of the management and actualization by the subordinates it leads to employee attrition.
   - 70% of the respondents said mismatch between job allotment and qualification and experience has relationship with attrition.
   - 70% of the respondents said absence of succession planning has relationship with attrition.

10) **Compensation and its relation with employee attrition**
    - More than 55% respondents believe that companies do not provide sufficient salary to its employees.

- 69.8 % of them believe that companies salary and benefits plans does not satisfy their needs.
- Hence it can be concluded that Compensation has a significant relationship with employee attrition.

11) Opinion about Employer and Staff

- Only 33% of the respondents said that their employer is a model employer, 42% said there is nothing special about their employer and just an employer whereas 24.5 5 said their employer is impersonal.
- More than 50% respondents feel that the staff is either just an employee or nothing special (taken together).It reflects the work environment which is not much conducive.

12) Culture and its impact on employee attrition.

Most of the respondents disagree on the statements that company provides adequate recognition for contribution and accomplishments, rules and regulations of the company motivate employees to perform better, company provides opportunity to develop skill, employees participate in decision making and dissatisfaction among employees is identified at the earliest. Hence it can be concluded that poor organizational culture is one of the prominent cause of employee attrition at the management level.

From the findings it can be said that the following objectives set in chapter 4 are fulfilled.

1. *To study the present status of employee attrition among managerial level in the automobile industry with special reference to Passenger car manufacturing companies in Pune district.*
2. *To know the issues related to the employee attrition among top, middle and lower level managers in passenger car manufacturing companies.*
3. *To give suggestions and recommendations to organizations to control their attrition rate.*
4. *To test the hypothesis stated below.*

The following hypothesis stated in the chapter -4 stands proved-

This study is conducted to test the following hypothesis:

1. H_0 : There is no difference in the importance attached to the causes of employee attrition.

    H_1 : There is a significant difference in the importance attached to the causes of employee attrition.

2. H_0 : There is no relationship between performance appraisal and employee attrition.

    H_1 : There is a significant relationship between performance appraisal and employee attrition

3. H_o : Organization culture factors do not influence employee attrition.

    H_1 : At least one of the factors of organizational culture has significant impact on employee attrition.

6.3. Suggestions and Recommendations

1. The companies under the research should make special efforts to reduce attrition, especially at the age group around thirty and also in Research and development department.

2. Training and development activities should be used effectively for reducing attrition (Sample training program is given in appendix) Coaching, counseling, succession planning etc. can be used.

3. The companies under research need to review their performance appraisal system. The objectives set should be revised. Their few objectives may be fulfilled, but if the performance appraisal is creating negativities and increasing attrition, and thereby hampering the image of the company, a fresh look is worth it.

    The companies may take the help of the consultants in this regard.

4. Considering the role and the positive impact of retention policy and exit interviews, the same should be used strategically by the companies.

5.

a) The companies under the research should have a strong policy and programs for the following :-

- Participative Culture and participative decision making
- Employee empowerment
- Employee satisfaction
- Positive attitude
- Career advancement

b) Employee satisfaction survey should be conducted. Employee motivation and morale survey should be conducted..

6.

    a) Employees should be oriented on :

- Company productivity and profits(rupee earned and rupee spent)
- Human needs and Maslow etc.
- Tax planning

    b) Management should compare salary structure of the existing car manufacturing companies and should provide them salary accordingly so that their needs would be satisfied and top performers would be retained.

7. Recognition and reward system should be reviewed and developed. Recognition, expectations be studied and then only be transformed into policy.

6.4. Recommendation

1. Management must have free and effective communication policy to allow managers to comment their views, expectations, creative ideas etc. It can motivate managers at all level and can boost their confidence and trust in the organization.

2. Execute periodic audits of job satisfaction, audit of training evaluation and effectiveness.

3. HR audit should be conducted with special reference to retention, attrition and managerial satisfaction.

4. Develop an effective training program and constantly update training strategies .

5. There is a need to develop an effective retention policy to retain the competitive employees.

6. Same way there should be the working system where complacent managers would be motivated to go to the next level of performance.

7. For this there should be incentive for –
   - Higher education-engineering and management
   - Six sigma and other such certification
   - QC Certification(Quality control certification)

8. Clearly define roles and responsibilities. Make sure your employees know what is expected of them every day, what type of decisions they are allowed to make on their own area.

9. Provide adequate advancement opportunities and develop promotion strategies on contribution level. Encourage learning with open mind

10. Show your employees that you value them , reward individually and team.

11. Provide the employees a stress free work environment

12. Offer fair and competitive salaries and communicate to all. Revise salaries more frequently or annually based on skill level, experience and achievements.

13. Work culture and management style of immediate boss are clearly key factors that should be paid attention to.

6.5. Researcher Contribution

- This kind of research may be unique in its nature as cross section of employees at management cadre has been into taken account by undertaking an empirical study.

6.6. Areas for further research

1. The area selected for research is passenger car manufacturing automobile industries in Pune District and not any other area. Further research can be conducted to find the attrition problems at the managerial level in all automobile companies located in India.

2. Research can be conducted to find out the attrition problem in two wheelers manufacturing companies and heavy vehicles like trucks, busses and tractor manufacturing companies.

6.7. CONCLUSION

The Indian Automobile industry has been going through ups and downs of the market for a couple of years due to recession and the climatic factors. In such conditions, the cost is the key word .Attrition increases the cost .It is the cost of recruitment, selection, training, development, wastage and accidents. Therefore a holistic approach right from recruitment to the exit interview is essential

The study of the present status of attrition at the managerial level in select large scale automobile industries in and around Pune area begins with the introduction of the topic, and went through various dimensions of employee attrition .The Automobile industry in India and Pune district was discussed in detail to know about its contribution in the Indian economy.

The findings lead to certain conclusions that there is a need to give importance to the feelings, expectations and needs of the managers. Salary is not the prime cause of attrition among the top level managers but they need empowerment and participation

in decision making. The managers have to change their style of functioning for the development of the subordinates as well as the organization.

The findings indicate that decision making power and empowerment are the requirements for satisfying the self-actualization need.

Most of the young generation managers are prone to shift their jobs frequently due to the poor relationship with bosses and this is the obstacle in the development of our youth.

The findings of this survey support the perception that reducing attrition among top performers at the managerial level will remain the top priority of Human Resource managers in car manufacturing automobile industries in Pune District.

Efforts are needed for providing participative culture in decision making, attractive monetary incentives, training in stress management, career development, and fair and equal treatment at the managerial level. This would help to control attrition at the managerial level and would help in the development and growth of the automobile industry and Indian economy. This calls out to the automobile industry to come up with new ideas to reduce the attrition and develop India in the real sense.

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News Paper

- M.D.Rawat,Chief secretary of Assochem (The associated chambers of commerce and industry of India),Aaj ka Anand, 17th October 2012,p10.
- Vasumita S. Adarsh, The Economic times, ET Beuro,September 12,2012.

Dear Respondents,

I ,**Prof.Meena Sharma** ,HRM Faculty from Novel Institute of Management Studies, Chinchwad Pune 411019,Pursuing Ph.D in Management From Tilak Maharashtra Vidyapeeth, Pune .The topic of my research is "**A Study of Attrition Problem in select Large Scale Automobile Industry in and around Pune 2008-12**".I request you to kindly fill the questionnaire .It will definitely help me in my research.

PERSONAL INFORMATION

 Name :

 Position in the company   :

 Department in the company :

Q1.What is your age :

        a)Below 30 years   :   ☐

         b) 30-40 years   :   ☐

         c) 40 years and above: ☐

Q2. Male   : ☐   Female   : ☐

Q3. What is your marital status?

    Married: ☐   Unmarried: ☐

Q4: For how long have you been employed in this organization?
          A. Less than a year   ☐
          B. 1 to 5 year   ☐
          C. 5 to 10 years   ☐
          D. More than 10 years ☐

Q5. At which level is attrition high?
Lower level_____ Middle level _____Top level_____

Q6.What is the culture of your organization?
5= Strongly satisfied,4=Satisfied ,3=Neutral,2 Dissatisfied,1Strongly dissatisfied

Que.	Questions	5	4	3	2	1
A	Satisfaction with working condition					
B	Participative culture for decision making					
C	Empowerment by seniors					
D	Equal treatment by seniors					

Q7. Do you have training and development programmes in your organization? Yes ☐ ☐
 Tick the following your experience/ opinion
5=To great extent,4=to some extent,3 neutral,2=Little extent,1Not at all

Particulars	5	4	3	2	1
Q10Are you satisfied with Training &development programme					

Q8 .Attrition increases due to poor quality of training?
Yes_____ No_____

Name of the company**:**

Q9. What is your opinion about the culture of performance appraisal in your organization

      A. Periodic rituals   ☐

      B. Fault finding mechanism ☐

      C. Developmental tool   ☐

      D. If any pl specify_____

Q10. What is your general emotions after performance appraisal exercise

      A. Increase in morale and motivation ☐

      B. Decrease in morale and motivation ☐

      C. Apathetic stand   ☐

      D. Any other (pl mention)_____
Q.11. Does attrition increases after performance appraisal.
      Yes: ☐   No:☐

Q12. Do you have a system of exit interview? Yes ☐ No ☐

Q13. Do you feel that exit interview help to control attrition ? Yes   No   ☐   ☐

Q14. According to your opinion what are the prominent causes of attrition.

Sr.No	Reasons for attrition (leaving the job)	Yes	No
1	Dissatisfaction With the company in general		
2	Poor relationship with immediate boss		
3	Poor relationship with colleagues		
4	Insufficient salary package and financial rewards		
5	Lack of Career advancement		
6	If any other please specify		

Q15.What is your impression about the employer ?

        A. Model employer   ☐

        B. Impersonal employer ☐

        C. Just an employer   ☐

        D. Nothing special   ☐

Q16. What is your impression about your staff-as employee?
    A. Generally responsible ☐
    B. Generally cooperative ☐
    C. Just an employee   ☐
    D. Nothing special   ☐

Dear Respondents,

I ,**Prof.Meena Sharma** ,HRM Faculty from Novel Institute of Management Studies, Chinchwad Pune 411019,Pursuing Ph.D in Management From Tilak Maharashtra Vidyapeeth, Pune .The topic of my research is "**A Study of Attrition Problem in select Large Scale Automobile Industry in and around Pune 2008-12**".I request you to kindly fill the questionnaire .It will definitely help me in my research.

For Top level managers

PERSONAL INFORMATION

Q1. Name :

Q2 .Position in the company   :

Q3. Department in the company :

Q4. Age :   a)Below 30 years   :   ☐

             b) 30-40 years   :   ☐

             c) 40 years and above: ☐

Q5. Male   : ☐   Female   : ☐

Q6. Married: ☐   Unmarried: ☐

Q7. Qualification:-
    1:Engg. Graduate ☐   2: Engg. PG ☐   3.Engg & professional Courses ☐   4: Others

Q8: For how long have you been employed in this organization
                 A. Less than a year   ☐

                 B. 1 to 5 years   ☐

                 C. 5 to 10 years   ☐

                 D. More than 10 years ☐

Q9. During 2008 to 2012 how was the trend of attrition in managerial level in your company

Year	Very high	high	moderate	Low	Very low
2008					
2009					
2010					
2011					
2012					

Q10. Attrition rate is more at:
Male employees ☐   Female employees ☐
Q11. At which level attrition is high?

a) Top level   ☐

b) Middle level   ☐

c) Lower level   ☐

Q12. According to your opinion at what age group the employee attrition is high

a) Below 30 years ☐

b) 30-40 years   ☐

c) 40 years and above ☐

Q13. In which functional department is attrition high?

Departments	Low	Moderate	High
H/R Dept			
Marketing Dept			
Production Dept			
Finance Dept			
R/D Dept			
Other			

Name of the company:

<u>TRAINING AND DEVELOPMENT</u>
Q14. a)Do you have training and development programmes in your organization? Yes ☐ No ☐
 Tick the following your experience/ opinion
5=To great extent,4=to some extent,3 neutral,2=Little extent,1Not at all

Particulars	5	4	3	2	1
Q14 b Are you satisfied with Training &development programme					
Q15 Is the training provided by company is useful for your career development					
Q16Does the Training provided to you helps to manage stress at workplace					
Q17 Do you think that the quality and quantity of training and development has positive effect on reducing an attrition					

PERFORMANCE APPRISAL

Q18 A) Do you have performance appraisal system In your organization? Yes ☐ No ☐

   B)If yes then are you satisfied with performance appraisal system ? Yes ☐ No ☐

   C)If no then why_____

Q19. What is the culture of performance appraisal in your organization

   A. Periodic rituals   ☐

   B. Fault finding mechanism   ☐

   C. Developmental tool   ☐

   D. If any pl specify_____

Q20. What are the general emotions after performance appraisal exercise?

   A. Increase in morale and motivation ☐

   B. Decrease in morale and motivation ☐

   C. Apathetic stand   ☐

   D. Any other (pl mention)_____

Q.21. Do you think that after performance appraisal the attrition /employee turnover increases? Yes: ☐ No: ☐

EFFECTS OF ATTRITION ON COMPANY

Q22. According to your opinion what are the effects of attrition on company .

5=Very great extent, 4=some extent , 3=neutral,   4=little extent, 5=Not at all

Negative effects on company	5	4	3	2	1
Production affects due to attrition					
Decrease in morale and motivation among existing employees					
Spoil image of the company					
Specify if any					

RETENTION POLICY AND EXIT INTERVIEW

Q23. Do to you have retention policy in your organization? Yes ☐ No ☐

Q24. Are you satisfied with retention with the retention policy in your organization yes ☐ no ☐

If no then what changes should a company make?_____

Q25. Do you feel that retention policy helps to control attrition? Yes ☐ No ☐

Q26. Do you have system of exit interview? Yes ☐ No ☐

Q27. Do you feel that exit interview help a company to control attrition? Yes ☐ ☐

Q28. According to your opinion what are the **prominent causes of attrition.**
    5=strongly agree, 4=agree, 3=neutral, 2=disagree, 1=Strongly disagree

Sr.No	Reasons for attrition (leaving the job)	5	4	3	2	1
1	Dissatisfaction With the company in general					
2	Poor relationship with immediate boss					
3	Poor relationship with colleagues					
4	Poor relationship with subordinates					
5	Insufficient salary package and financial rewards					
6	Lack of Employee benefits					
7	Lack of Good working environment					
8	Lack of Training and development					
9	Lack of job satisfaction					
10	Lack of empowerment , participative culture and decision making					
11	Discrimination					
12	Lack of Career advancement					
13	Starting their own business					
14	Company policies and procedure					
15	If any other please specify					

Q29) .Have you previously worked in any other company ?
     Yes ☐   No ☐
Q30). If yes than specify the reason for leaving the job (write number from one of the above) if reason is from above otherwise write the reason_____
_____

Q31. What are the positive thing/points   due to which you will stick to current organization for a

longer duration:

   1. _____

   2. _____

   3. _____

Q32. What are the negative thing /points about your current organization due to which you may think to switch your job

1_____

2_____

3_____

Q33. Do you think that the following have significant relationship with employee attrition?

Particulars	Yes	No
a) Gap between expectation of superior and actualization by subordinate		
b) Mismatch between job allotment and qualification		
c) Absence of succession planning		

Q34 Compensation
5=very great extent,4=to some extent,3 =can't say,2=little extent,1= not at all

Statements	5	4	3	2	1
a) Does your company provide sufficient salary to its employees?					
b)Does your company provides all benefits to you ?					
c) Are you satisfied with the salary and benefit plans of your company?					
d)Does your company's overall benefit plans fulfill your needs?					

Q35. What is your impression about the employer ?

A. Model employer ☐

B. Impersonal employer ☐

C. Just an employer ☐

D. Nothing special ☐

Q36.What is your impression about the staff-as employee?
A. Generally responsible ☐
B. Generally cooperative ☐
C. Just an employee ☐
D. Nothing special ☐

37. Organization culture-Tick the following as per your experience
5= To great extent,4=TO some extent ,3=neutral,2 little extent,1not at all

Que.	Questions	5	4	3	2	1
Q38	Does your company provide adequate recognition for contribution and accomplishments?					
Q39	Does management communicate information about disciplinary action and governance procedure?					
Q40	Does the rules and regulation of the company really motivate you to perform better?					
Q41	Does the company provide opportunity to develop skill that empowers you to carry multitasking?					
Q42	Does your company provided welfare schemes to all employee?					
Q43	Does the management of the company conduct disciplinary enquiry honestly?					
Q44	Do you participate in decision making process or your opinion is considered while decision making?					
Q45	In your organization, dissatisfaction among employees is identified at the earliest and initiatives are taken to improve their satisfaction and reduce attrition?					
Q46	Your organization give due recognition to special problem of women employees					
Q47	Organization adjust shifts or sanctions leaves of employees as per need to ensure that employees get adequate time for self , family and social gathering					

48) In your opinion what measures a company should take to reduce attrition rate.

1._____

2._____

3. _____

Q49) share an outstanding encouraging or frustrating experience in your organization . Please

feel free to write in **Marathi, Hindi** or an **English**.

Dear Respondents,

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For middle and Lower level managers

PERSONAL INFORMATION

Q1. Name :

Q2 .Position in the company   :

Q3. Department in the company :

Q4.What is your age :   a)Below 30 years   ☐

                                b) 30-40 years   ☐

                                c) 40 years and above: ☐

Q5. Male   : ☐   Female   : ☐

Q6. What is your marital status? Married: ☐   Unmarried: ☐

Q7. What is your qualification:-
    1:Engg. Graduate   ☐   2: Engg. PG ☐   3.Engg & professional Courses   ☐   4: Others

Q8: For how long have you been employed in this organization?
                        A. Less than a year   ☐
                        B. 1 to 5 year   ☐
                        C. 5 to 10 years   ☐
                        D. More than 10 years ☐

TRAINING AND DEVELOPMENT

Q9. a)Do you have training and development programmes in your organization? Yes ☐ No ☐
 Tick the following your experience/ opinion
5=To great extent,4=to some extent,3 neutral,2=Little extent,1Not at all

Particulars	5	4	3	2	1
Q10Are you satisfied with Training &development programme					
Q11 Is the training provided by company is useful for your career development					
Q12Does the Training provided to you helps to manage stress at workplace					
Q13 Do you think that the quality and quantity of training and development has positive effect on reducing an attrition					

Name of the company:

PERFORMANCE APPRISAL

Q14 A) Do you have performance appraisal system In your organization? Yes ☐ No ☐

   B)If yes then are you satisfied with performance appraisal system ? Yes ☐ No ☐

   C)If no then why_____

Q15. What is the culture of performance appraisal in your organization

      A. Periodic rituals ☐

      B. Fault finding mechanism ☐

      C. Developmental tool ☐

      D. If any pl specify_____

Q16. What are the general emotions after performance appraisal exercise

      A. Increase in morale and motivation ☐

      B. Decrease in morale and motivation ☐

      C. Apathetic stand ☐

      D. Any other (pl mention)_____

Q.17. Do you think that after performance appraisal the attrition /employee turnover increases? Yes: ☐ No: ☐

EFFECTS OF ATTRITION ON COMPANY

Q18. According to your opinion what are the effects of attrition on company .

    5=Very great extent, 4=some extent , 3=neutral,   4=little extent, 5=Not at all

Negative effects on company	5	4	3	2	1
Production affects due to attrition					
Decrease in morale and motivation among existing employees					
Spoil image of the company					
Specify if any					

RETENTION POLICY AND EXIT INTERVIEW

Q19. Do to you have retention policy in your organization? Yes ☐ No ☐

Q20. Are you satisfied with retention with the retention policy in your organization yes ☐ no ☐

If no then what changes should a company make?_____

Q21. Do you feel that retention policy helps to control attrition ? Yes ☐ No ☐

Q22. Do you have system of exit interview? Yes ☐ No ☐

Q23. Do you feel that exit interview helps a company to control attrition rate? Yes ☐ No ☐

Q24. According to your opinion what are the **prominent causes of attrition.**
   5=strongly agree, 4=agree, 3=neutral, 2=disagree, 1=Strongly disagree

Sr.No	Reasons for attrition (leaving the job)	5	4	3	2	1
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2	Poor relationship with immediate boss					
3	Poor relationship with colleagues					
4	Poor relationship with subordinates					
5	Insufficient salary package and financial rewards					
6	Lack of Employee benefits					
7	Lack of Good working environment					
8	Lack of Training and development					
9	Lack of job satisfaction					
10	Lack of empowerment , participative culture and decision making					
11	Discrimination					
12	Lack of Career advancement					
13	Starting their own business					
14	Company policies and procedure					
15	If any other please specify					

Q25) .Have you previously worked in any other company ?
      Yes ☐ No ☐
Q26). If yes than specify the reason for leaving the job (write number from one of the above) if reason is from above otherwise write the reason_____

_____
Q27. What are the positive thing/points   due to which you will stick to current organization for a

longer duration:

   1. _____

   2. _____

   3. _____

Q28. What are the negative thing /points about your current organization due to which you may think to switch your job

1_____

2_____

3_____

Q29. Do you think that the following have significant relationship with attrition/employee turnover?

Particulars	Yes	No
a) Gap between expectation of superior and actualization by subordinate		
b) Mismatch between job allotment and qualification		
c) Absence of succession planning		

Q30 Compensation
5=very great extent,4=to some extent,3 =can't say,2=little extent,1= not at all

Statements	5	4	3	2	1
a) Does your company provide sufficient salary to its employees?					
b) Does your company provides all benefits to you ?					
c) Are you satisfied by the salary and benefit plans of your company?					
d)Does your company's overall benefit plans fulfill your needs?					

Q31. Please check the appropriate based upon your experience.

My impression about employer .

A. Model employer ☐

B. Impersonal employer ☐

C. Just an employer ☐

D. Nothing special ☐

Q32. . Staff-as employee
A. Generally responsible ☐
B. Generally cooperative ☐
C. Just an employee ☐
D. Nothing special ☐

Organization culture-Tick the following as per your experience

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Q33	Does your company provide adequate recognition for contribution and accomplishments?					
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Q41	Your organization give due recognition to special problem of women employees					
Q42	Organization adjust shifts or sanctions leaves of employees as per need to ensure that employees get adequate time for self , family and social gathering					

43) In your opinion what measures a company should take to reduce attrition rate.

1._____

2._____

3. _____

Q44) share an outstanding encouraging or frustrating experience in your organization . Please feel free to write in **Marathi, Hindi** or an **English**

SUGGESTED MODEL FOR REDUCING ATTRITION AT MANAGERIAL LEVEL

Expectation
1. Company
2. Superiors
3. Subordinates

Open discussion ,communication and Coordiantion by a senior manager (whois appointed by all)

New Strategies
1. Compensation
2. Performance mgmt
3. Culture

Periodic Employee Satisfaction Survey Motivation Survey SWOT analysis

Find out the stress boosters and stress busters at all level

Provide learning environment &Opportunity for Career development