

A STUDY ON EMPLOYEE SATISFACTION AND RETENTION IN IT SECTORS

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ABSTRACT

This study focuses on the significance between employee satisfaction and retention in the IT sector. A study finds factors that determine employee retention and satisfaction. The objectives of study denote the examination of significant differences in factors of employee retention satisfaction such as fair payment system, level of recognition and rewards receiving, overall employee benefits package and fairness & transparency of performance evaluations and promotion. Factors of employee satisfaction level such as satisfaction of employees with your current job, opportunities for professional development provided by employer, flexibility of the work schedule, physical work environment and company policies and procedures which restricting employees ability to work on their job are found in the study between IT sectors and their demographic groups. It is made with the help of a primary data collection through circulating the forms with employees in the IT sector. The sampling method is used as a convenience method. This paper analyzes the objectives of components that influence employee's satisfaction with their work, satisfaction and retention of the employees in the company's management levels and the significance of employee satisfaction level and retention satisfaction.

KEYWORDS: work life balance, employee satisfaction, retention, work environment, rewards.

INTRODUCTION

In the field of HRM, Employee retention and satisfaction are essential components that possess a direct impact on the stability and overall performance of a concern. Employee satisfaction and retention are crucial for an organization's success and stability. High satisfaction leads to enhanced productivity, improved job performance, and a positive organizational climate. Effective retention strategies include competitive salaries, benefits, professional growth opportunities, a positive work environment, and recognition of employee contributions. Both factors are essential for maintaining a stable workforce and fostering a collaborative work culture. The degree of happiness and fulfillment that employees get from their work is known as employee satisfaction, and it is impacted by a number of factors, including satisfaction of employees with your current job,

opportunities for professional development provided by employer, flexibility of the work schedule, physical work environment and company policies and procedures which restricting employees ability to work on their job. Conversely, employee retention pertains to the tactics and procedures utilized to retain skilled workers within the company, thereby lowering attrition rates. A supportive work environment, competitive pay, opportunities for career advancement, and work-life balance are all considered effective retention tactics. When satisfied employees are more willing to stay with the company, it may save money on hiring and training new hires as well as preserve organizational stability and knowledge. As a result, high employee satisfaction levels are linked to higher retention rates. For any firm to succeed over the long run, these factors must be combined to guarantee a workforce that is engaged, motivated, and devoted. Implementing strategies to enhance employee satisfaction and retention not only benefits the organization financially but also contributes to a positive company culture.

OBJECTIVES

- ❖ To figure out the components that influence employees' satisfaction with their work.
- ❖ To study satisfaction and retention of employees in the company's management levels.
- ❖ To investigate the significance of employee satisfaction level and retention satisfaction.

RESEARCH METHODOLOGY

The study is based on a population of more than 500 employees approached for study. The questionnaire was conducted to 200 employees. 86 responses were received So the entire 86 responses are taken as a sample size for the study. This information makes accurate and efficient findings. A convenience sampling method is used for data collection and it is used for analyzing the significance relationship between factors of employees retention satisfaction and their satisfaction levels in work.

LITERATURE REVIEW:

1. BIASON, R. S. (2020). The effect of job satisfaction on employee retention. *International Journal of Economics, Commerce and Management*, 8(3), 405-413. The results of the study show that greater satisfaction with work increases employee retention. One precise and relevant measure of employee retention is satisfaction with work. It is advised that businesses adopt policies and procedures that promote productive collaboration and compensation; when people feel that their

abilities are being used and that their contributions and service are valued, job happiness increases. Consequently, increased job satisfaction usually translates into increased staff retention.

2.Coetzee, M., & Stoltz, E. (2015). Employees' satisfaction with retention factors: Exploring the role of career adaptability. *Journal of Vocational Behavior*, 89, 83-91.The results of the research might provide managers and other professionals with new ideas on how to maintain employees in a modern professional setting. Employing a complex approach to evaluate the relationship between career flexibility and employee retention factor fulfillment provides further understanding of the career flexibility structure within a work environment. In summary, it is important to consider employees' career concerns, desires, and plans in connection with retention policies for the purpose of effectively keeping individuals.

3.Ashton, A. S. (2018). How human resources management best practices influence employee satisfaction and job retention in the Thai hotel industry. *Journal of Human Resources in Hospitality & Tourism*, 17(2), 175-199.The outcomes of the research indicate that soft human resources management methods can help the hotel industry manage its workforce and shortage of talent while also enhancing satisfaction with work and retention. Factors influencing employee job satisfaction include both internal and external motivation. Thus, a quality workplace is recognized as the internal motivator that promotes employee job fulfillment. The elements of leadership style, reliable training treatments, and a sense of job security make up the external incentive component. Lastly, it's essential to keep a check on the personalities of hotel employees. If they lack a service mentality, it will be clear that working in hotels is not their intended career path.

4.Rathnaweera, R. R. N. T. (2010). *Do HRM practices impact employee satisfaction, commitment retention?:(empirical studies of Sri Lankan public sector banks)* (Master's thesis, Universitetet i Agder; University of Agder):The outcomes of this study show that HRM processes have a big impact on worker commitment, fulfillment, and retention. In Sri Lanka's public sector banks (PSB), remuneration and welfare policies have the most effects on employee satisfaction, loyalty, and retention. The study also discovered a beneficial relationship between training and staff commitment, retention, and satisfaction. Retention, commitment, and happiness are all favorably correlated with performance-based pay and the availability of social benefits. Employee commitment, retention, and satisfaction have also been proven to be positively associated with performance reviews and employee participation in decision-making. The study,

however, does not lend credence to the idea that these results are favorably correlated with PSB's grievance processing procedure.

5.Ali, I., & Ali, S. (2021). The Effect of Corporate Social Responsibility on Employee Satisfaction, Employee Engagement and Employee Retention. *SME Review and Analysis, 1*:

The study looks at the relationship between employee engagement, satisfaction, and retention and an organization's corporate social responsibility (CSR) initiatives. It draws attention to the necessity of doing CSR research at the microlevel and exhorts managers of companies to combine CSR with strategic planning. The use of an independently developed survey and a small sample size are limitations, too.

DATA ANALYSIS AND INTERPRETATION

Table 1

PARTICULARS	OPTIONS	RESPONDENTS	PERCENTAGE
Gender	Male	38	44
	Female	48	56
Age	Less than 30 Years	75	87
	31-40 Years	4	5
	Above 40 Years	7	8
Education qualification	Undergraduate	59	69
	Post Graduate	18	21
	Ph.d	0	0
	M.Phil	1	1
	Professional course	5	5
	Diploma	1	1
	Others	2	2
Marital status	Married	16	19
	Unmarried	70	81
Work experience	Fresher	66	77
	2-4 years	6	7
	4-6 years	2	2
	More than 6 years	12	14
Working hours	Less than 5 hrs	22	26
	5-8 hrs	44	51
	8-12 hrs	20	23
Working shift	Day	70	81
	Night	2	2
	Both day and night	14	16

Source: Primary Data

Interpretation:From the respondents, 56% are female and 44% are male. In age 87% are less than 30 years and 5% are 31-40 years and 8% are above 40 years. In education qualification 69% are undergraduate and 21% are postgraduate and 5% are under professional course and 2% are in

the other category and 1% are from Mphil and Diploma and 0% are ph.d. In marital status 81% are Unmarried and 19% are Married. In working experience 77% are freshers and 14% are more than 6 years and 7% are 2-4 years and 2% are 4-6 years. In working hours 51% are working 5-8 hours and 26% are working less than 5 hours and 23% are working 8-12 hours. In the working shift 81% are working day shift and 16% are working both day and night shifts and 2% are working night shift.

MEAN AND STANDARD DEVIATIONS

Table 2 : Human resource development & employer motivation

FACTORS	MEAN	STANDARD DEVIATION	RANK
OPPORTUNITIES OF TRAINING & DEVELOPMENT	2.08	1.66	2
EMPLOYER MOTIVATION	2.92	2.51	1

Source: Computed data

Interpretation: From the analysis of these factors which influences human resource development and employer motivation was calculated with the help of mean and standard deviation statistical tools representing the employer motivation to the employees was ranked as first and the opportunities of training and development elements was ranked as second.

Table 3 : Employee engagement & performance management

FACTORS	MEAN	STANDARD DEVIATION	RANK
LISTENING EMPLOYEES OPINION BY MANAGER	2.20	1.79	2
CONSISTENT OFFERING PERFORMANCE BASED INCENTIVES	2.98	2.63	1

Source: Computed data

Interpretation: from the analysis of these factors which influences employee engagement and performance management was calculated with the help of mean and standard deviation statistical tools representing the consistent offering of performance based incentives was ranked as first and listening employees opinion for further proceeding by the employer was ranked as second.

CHI SQUARE TEST

Table 4: Factors for employees retention satisfaction

Null Hypothesis(H₀): There is no significant relationship between age and factors for employee retention satisfaction.

Alternative Hypothesis(H₁): There is a significant relationship between age and factors for employee retention satisfaction.

FACTORS FOR EMPLOYEES RETENTION SATISFACTION	CLASSIFICATION	BASED ON AGE				Chi Square value	P value	Significance
		Less than 30 years	31-40 years	Above 40 years	Grand Total			
Fair payment system	HIGHLY SATISFIED	18	1	0	19	3.400	0.907	0.05
	SATISFIED	28	1	3	32			
	NEUTRAL	26	2	4	32			
	DISSATISFIED	1	0	0	1			
	HIGHLY DISSATISFIED	2	0	0	2			
level of recognition and rewards receive	HIGHLY SATISFIED	11	1	1	13	10.105	0.258	0.05
	SATISFIED	34	1	4	39			
	NEUTRAL	14	0	1	15			
	DISSATISFIED	10	0	1	11			
	HIGHLY DISSATISFIED	6	2	0	8			
overall employee benefits package (e.g., healthcare, retirement plans)	HIGHLY SATISFIED	16	2	2	20	10.031	0.263	0.05
	SATISFIED	29	1	1	31			
	NEUTRAL	14	0	3	17			
	DISSATISFIED	13	0	1	14			
	HIGHLY DISSATISFIED	3	1	0	4			
fairness and transparency of performance evaluations and promotions	HIGHLY SATISFIED	13	2	1	17	8.763	0.363	0.05
	SATISFIED	41	1	3	45			
	NEUTRAL	15	0	3	8			
	DISSATISFIED	4	1	0	5			
	HIGHLY DISSATISFIED	2	0	0	2			

Source: Computed data

Interpretation: From this analysis of the hypothesis tests whether there is a significant relationship between age and factors for employees retention satisfaction. The fair payment system says that the chi square value is 3.400 and the p-value is 0.907, which exceeds the 0.05 significance level. The level of recognition and rewards received says that the chi square value is 10.105 and the p-value is 0.258, which exceeds the 0.05 significance level. The overall employee benefits package (e.g., healthcare, retirement plans) says that the chi square value is 10.031 and the p-value is 0.263, which exceeds the 0.05 significance level. The fairness and transparency of performance evaluations and promotions says that the chi square value is 8.763 and the p-value is 0.363, which exceeds the 0.05 significance level. So these factors indicate that there is no significant relationship between age and factors for employee retention satisfaction. So it is a null hypothesis.

Table 5: Factors of employee satisfaction level

Null Hypothesis(H₀): There is no significant relationship between age and factors of employee satisfaction level.

Alternative Hypothesis(H₁): There is a significant relationship between age and factors of employee satisfaction level.

FACTORS OF EMPLOYEE SATISFACTION LEVEL	CLASSIFICATION	BASED ON AGE				Chi Square value	P value	Significance
		Less than 30 years	31-40 years	Above 40 years	Grand Total			
Satisfaction of employees with your current job	HIGHLY SATISFIED	20	2	0	22	5.314	0.504	0.05
	SATISFIED	42	1	6	49			
	NEUTRAL	10	1	1	12			
	DISSATISFIED	3	0	0	3			
	HIGHLY DISSATISFIED	0	0	0	0			
the opportunities for professional development	HIGHLY SATISFIED	13	1	3	17	6.513	0.590	0.05
	SATISFIED	43	2	1	46			
	NEUTRAL	15	1	3	19			
	DISSATISFIED	3	0	0	3			

provided by employer	HIGHLY DISSATISFIED	1	0	0	1			
the flexibility of employees work schedule	HIGHLY SATISFIED	15	1	1	17	1.788	0.987	0.05
	SATISFIED	42	2	4	48			
	NEUTRAL	12	1	2	15			
	DISSATISFIED	3	0	0	3			
	HIGHLY DISSATISFIED	3	0	0	3			
the physical work environment (office space, facilities, etc.)	HIGHLY SATISFIED	15	1	2	18	3.320	0.913	0.05
	SATISFIED	38	2	4	44			
	NEUTRAL	15	0	1	16			
	DISSATISFIED	6	1	0	7			
	HIGHLY DISSATISFIED	1	0	0	1			
company policies and procedures restricting employees ability to work on their job.	HIGHLY SATISFIED	18	1	0	19	11.763	0.162	0.05
	SATISFIED	39	1	4	44			
	NEUTRAL	11	1	3	15			
	DISSATISFIED	5	0	0	5			
	HIGHLY DISSATISFIED	2	1	0	3			

Source:Computed data

Interpretation:From this analysis of the hypothesis tests whether there is a significant relationship between age and factors of employees satisfaction levels. The Satisfaction of employees with your current job says that the chi square value is 5.314 and the p-value is 0.504, which exceeds the 0.05 significance level. The opportunities for professional development provided by the employer says that the chi square value is 6.513 and the p-value is 0.590 , which exceeds the 0.05 significance level. The flexibility of employees' work schedule says that the chi square value is 1.788 and the p-value is 0.987 , which exceeds the 0.05 significance level. The physical work environment (office space, facilities, etc.) says that the chi square value is 3.320 and the p-value is 0.913, which exceeds the 0.05 significance level. The company policies and procedures restricting employees ability to work on their job says that the chi square value is 11.763 and the p-value is 0.162, which exceeds the 0.05 significance level So these factors indicate that there is no significant relationship between age and factors for employees satisfaction levels. So it is a null hypothesis.

FINDINGS

- Generally this study and its concept enhance a huge exposure on overall employees satisfaction and retention and how factors influence employees and knowing of their satisfaction level.
- Most of the respondents in demographic factors say that in gender the highest participant is female with 56% . In age wise the highest of 87%of the respondents are under less than 30 years. In education qualification the highest participant is undergraduate, with 69% and 21% are post graduates and 5% are professional courses and the remainder are diploma, m.phil,ph.d,and others are at least of the following. In the marital status 81% of the respondents are unmarried and 19% of the respondents are married. In work experience highly received from the freshers with 77% and followed by 14% are under more than 6 years and 7% are under 2-4 years and 2% are under 4-6 years. In working hours 51% of the respondents are working 5-8 hours and 26% of the respondents are working less than 5 hours and 23% Of the respondents are working 8-12 hours. In the working shift 81% of the respondents are working day shift and 16% of the respondents are working both day and night shifts and 2% of the respondents are working night shift.
- Data analysis and interpretation of this study says that mean and standard deviation enhances the rank as the employer's motivation to the employees and the consistent offering of performance based incentives was ranked as first. And the use of chi square statistical tools as a first table represents that there is no significant relationship between age and factors for employee retention satisfaction. The second table represents that there is no significant relationship between age and factors of employees satisfaction levels. So it is proved that it is a null hypothesis in both cases.

SUGGESTIONS

- The concern company or organization should focus on employee satisfaction because of their are human capital asset of such concern,
- Promotion practices should be well defined & must be done in practices.
- Adequate rewards must be given to the employee; either rewards may be in the form of monetary & non-monetary.
- The implementation of job security and retention system should be in effective way,

- The retention factors enhance employee satisfaction.so encourage the retention in better concept to gain such achievement with help of human capital of the concern.

CONCLUSION

This study and research methodology ensures a better understanding of the concept of employee satisfaction and retention in IT sectors of employees. While conducting this methodology the relationship of employee satisfaction and retention factors with the help of various demographic factors such as gender,age,sector,education qualification, marital status and some other things. But it is concluded that employee satisfaction and retention says that there is no relationship between the gender, marital status, age and etc.,Therefore, each organization must place more of its efforts on enabling its staff to feel satisfied because doing so will increase engagement with work and result to more performance and that gain as rewards and recognition from the concern by the employees.

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