

A Study on Factors Manipulate Reward Management towards Employee Retention on the Whole Paper Industries In Namakwa District Of Tamilnadu

Dr.D.Praveenadevi, M.B.A. M.Phil., Ph.D.,

Assistant Professor and Head

Department of Management Studies - PG,

K.S.Rangasamy College OF Arts and Science (Autonomous)

Tiruchengode, Namakkal District, Tamilnadu-637215,

Email: - praveenadevid86@gmail.com.

Mr. M.Sakthivel, M.B.A., M.Phil, (Ph.D).

Full-Time Research Scholar [Ph.D Management],

K.S.R College of Arts and Science (Autonomous),

Tiruchengode, Tamil Nadu, India – 637215,

E-mail:svel70743@gmail.com,

ABSTRACT

In this research, the researcher has been used qualitative research technique to understand the factors manipulate the reward management towards employee retention on the whole paper industries in Namakkal district of Tamilnadu. For this purpose, the researcher has been used to in-depth interview methods and interview of 200 respondents in the Namakkal region and its final took the questions 150 respondents as a randomly as for the convenient. The research was conducted during for the period of five months in the year of 2016 August to December. The study found that the major employee retention has been not been provided properly for the employees think that the salary that they are offered are often low compared to outside firms. Employees' even compare their own salaries with that of their co-workers. This creates a situation of disconcert within the employee and they make decision of moving out in search of better pay. The problem here is that mostly the higher paid employees have more work experience with the company or is also amongst the one who has been a high performer.

Keywords: Reward management, Employee retention, salaries, Co-workers, Paper industries.

Introduction

The advent of generation Y employees into organizations in the early 80's presented a new challenge to management. Key employee retention is for many organizations a strategic intention as the war for talent plays out in the labor market. Retention of critical skills is a prerequisite to the success of an organization in the medium to long term. Acquisition of key skills and talent therefore forms an important aspect of organization success and provides a key competitive advantage. Organizations develop various reward strategies and practices to ensure that critical human capital resources are not only attracted but also retained and fully exploited for the benefit of the organization. Reward is one of the most important components of an organizations retention strategy. Armstrong (2009) states that rewarding people involves reward management practices concerned with design, implementation and maintenance of reward systems that are geared to the improvement of organizational, team and individual performance. It includes both financial and non-financial rewards. It is imperative therefore those organizations develop and install reward strategies and practices that motivate staff to remain in the organization. Organizations should adopt the all-encompassing approach of total reward, as this is likely to provide a greater attraction and retention to a greater number of employees. Reward is a critical motivator towards an employee's choice to remain in an organization. Rewards have been shown to motivate performance when certain conditions exist, Blinder (1990). Individuals are best motivated when they believe that their behaviors will lead to certain outcomes that are attractive and that performance at a desired level is possible. Vroom suggests that individuals will choose behaviors they believe will result in the achievement of specific outcomes they value.

MATERIALS AND METHODS

A straight survey was used to collect the data for this study. It was administered to randomly sampling technique of the respondents at Namakkal district Tamilnadu. The survey questions were compiled from previous study questions pertaining to the In this research, the researcher has been used to qualitative research technique to understand the factors manipulate of reward management towards employee retention on the whole paper industries in Namakkal district of Tamilnadu. For the purpose, the researcher has been used to in-depth interview methods and interview of 200 respondents in the Namakkal region and its final took the questions 150 respondents as a randomly as for the convenient. The research was conducted during for the period of five months in the year of 2016 August to December. The study found that the major employee retention has been not been provided properly for the employees think that the salary

that they are offered are often low compared to outside firms. The questions has been collected randomly from different region in the Namakkal district both interior town and exterior region. The questionnaire has been collected 200 and out of 200 One hundred and fifty (150) individuals provided responses to the survey. However, fifty of the responses were not completed, and thus were excluded from the result. Details on the subjects' demographics are provided in Table 1 and 2 below (Results and Discussion).

RESULTS AND DISCUSSIONS

ANOVA

Analysis of variance (ANOVA) is a collection of statistical models, and their associated procedure, in which the observed variance in a particular variable is partitioned in to components attributable to different sources of variation. In its simplest form ANOVA provides a statistical test of whether or not the means of several groups are all equal, and therefore generalizes t-test to more than two groups. ANOVA is helpful because they possess an advantage over a two sample test .Doing multiple two sample t-test would result in an increased chance of committing a type one error. For this reason, ANOVA is useful in comparing three or more means.

ASSOCIATION BETWEEN MONTHLY INCOME AND EXPERIENCE

NULL HYPOTHESIS (H₀)

There is no significant difference between monthly income and experience.

MONTHLY INCOME AND EXPERIENCE

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	46.332	4	11.583	25.462	.000
Within Groups	65.962	145	.455		
Total	112.293	149			

INFERENCE

From the above table, it was identified that the calculated value (25.462) is less than the table value (0.05). Hence, the null hypothesis was rejected and was concluded that there is significant difference between monthly income and experience.

ASSOCIATION BETWEEN AGE GROUPS AND ORGANIZATIONAL HIERARCHY

NULL HYPOTHESIS (H0)

There is no significant difference between age groups and organizational hierarchy.

AGE GROUPS AND ORGANIZATIONAL HIERARCHY

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	34.569	2	17.284	50.289	.000
Within Groups	50.524	147	.344		
Total	85.093	149			

INFERENCE

From the above table, it was identified that the calculated value (50.289) is less than the table value (0.05). Hence, the null hypothesis was rejected and was concluded that there is significant difference between age groups and organizational hierarchy.

T-TEST

W.S.Gosset described a distribution called t-distribution and the test of significance based on it is called t-test. T-distribution is based on degrees of freedom. Degree of freedom is defined as the numbers of varieties that can be entered in that distribution before the value of the remainder of the varieties are fixed to produce a certain value (DF =n-1). The t-test enables us to test the significance of difference between two sample test and one sample test.

Difference between gender and their satisfaction on working conditions of work hours

An attempt was made to study the relationship between male and female with regard to their satisfaction on working conditions of work hours. For this purpose the customers on the basis of male and female with regard to their satisfaction on working conditions of work hours. **Null Hypothesis [Ho]** – There is no significant difference between male and female with regard their satisfaction on working conditions of work hours. **Alternative Hypothesis [H1]** - There is a significance difference between male and female with regard to their satisfaction on working conditions of work hours.

Relationship between male and female with regard to their satisfaction on working conditions of work hours

	Levene's Test for Equality of Variance		t-test for Equality of Means						
	F	Sig.	T	Df	Sig.(2 tailed)	Mean Difference	Std. Error Difference	95% confidence Interval of the difference	
								Lower	Upper
Equal Variance assumed	.594	.442	-2.305	158	.022	-.46045	.19977	-.85500	-.06589
Equal Variance not assumed			-2.250	110.230	.026	-.46045	.20465	-.86601	-.05488

Inference

It is evident from the null hypothesis is rejected and the alternative hypothesis is accepted i.e. there is a significance relationship between male and female with regard to their satisfaction on working conditions of work hours.

Difference between Married and Unmarried and their satisfaction on working conditions of rest intervals

An attempt was made to study the relationship between Married and Unmarried and their satisfaction on working conditions of rest intervals. For this purpose the customers on the basis of Married and Unmarried with regard to their satisfaction on working conditions of rest

intervals. **Null Hypothesis [Ho]** – There is no significance difference between Married and Unmarried with regard to their satisfaction on working conditions of rest intervals. **Alternative Hypothesis [H1]** - There is a significance difference between Married and Unmarried with regard to their satisfaction on working conditions of rest intervals.

Relationship between Married and Unmarried with regard to their satisfaction on working conditions of rest intervals

	Levene's Test for Equality of Variance		t-test for Equality of Means						
	F	Sig.	T	Df	Sig.(2 tailed)	Mean Difference	Std. Error Difference	95% confidence Interval of the difference	
								Lower	Upper
Equal Variance assumed	.278	.598	2.035	438	.042	.25389	.12475	.00869	.49908
Equal Variance not assumed			2.035	412.214	.043	.25389	.12479	.00859	.49919

Inference

It is evident from the null hypothesis is rejected and the alternative hypothesis is accepted i.e. there is a significance difference between Married and Unmarried with regard to their satisfaction on working conditions of rest intervals.

REVIEW OF LITERATURE

Ayesha Ajmal (2015) in his article “The Effects of Intrinsic and Extrinsic Rewards on Employee Attitudes; Mediating Role of Perceived Organizational Support” he identified that the measure the effect of intrinsic and extrinsic rewards on employee attitudes, job satisfaction and organizational commitment as well as the mediating role of perceived organizational support. He recommended that the Organizations must have to emphases on employee’s satisfaction and

commitment level. Excess of intrinsic or extrinsic rewards could also be harmful for the organization because these rewards can increase the fake needs of employees. Bidisha Lahkar Das (2013) in his article “Employee Retention: A Review of Literature” he identified that the biggest challenge that organizations are facing today is not only managing these resources but also retaining them. Securing and retaining skilled employees plays an important role for any organization, because employees’ knowledge and skills are central to companies’ ability to be economically competitive. Besides, continuously satisfying the employees is another challenge that the employers are facing today. He suggested that the employee retention and job satisfaction, but still much scope remains for more exploration in the field of employee retention and it by taking into consideration the factors like compensation practices, leadership and supervision, career planning and development, alternative work schedule, working conditions, flexible working hours etc. Crispen Chipunza (2009) in his article “Employee retention and turnover: Using motivational Variables as a panacea” he found that they have significantly influenced employee retention in both the public and private sector organizations: training and development, challenging/interesting work, freedom for innovative thinking, and job security. He recommended that the certain variables are crucial in influencing employees’ decision to either leave or remain in an organization. Such variables include training and development, recognition/reward for good performance, a competitive salary package and job security. Nonetheless, the importance of other variables should not be under-estimated when formulating a retention policy. Daisy Ofosuhene Kwenin (2013) in his article “The Influence of Employee Rewards, Human Resource Policies and Job Satisfaction on the Retention of Employees in Vodafone Ghana” he found that the again showed that job satisfaction and favorable human resource policies have positive link with retention. A limitation of the study was that the questionnaire was voluntarily completed by respondents; the researcher therefore had no information about the non-respondents. He recommends that future research be directed towards investigating how variables like work/life balance, organizational commitment, supervisor support, and work environment can influence employee retention and to expand the scope to cover other telecommunication industries like MTN, TIGO, EXPRESO and AIRTELL in Ghana. David Mwakidimi Msengeti (2015) in his article “Effects of Pay and Work Environment on Employee Retention: A Study of Hotel Industry in Mombasa County” he identified that the effects of the pay and work environment on the retention of employees in the Hotel Industry in

Mombasa County. H revealed that pay had a weak influence on employee retention while work environment had the strongest influence which was significant at ($p = .005$) 2-tailed. While it was evident from the results that work environment plays a major role in employee retention, to remain competitive it was recommended that employers in the industry also need to re-evaluate the current weaknesses associated with pay. He recommended that the pay as a financial component of reward has a weak influence on employee retention in hotels in Mombasa County tourism area as compared to the non-financial element of work environment. It was also observed that there are significant pay discrepancies between the players in the industry leading to employees constantly seeking better opportunities and thus fuelling the low employee retention scenarios experienced.

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