

A CASE STUDY ON EMPLOYEE RETENTION STRATEGIES IN IT INDUSTRY

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Abstract

Organizations acknowledge the reality "employees are most vital resource" this is permissible confining of good arrangements and execution of those so representatives have great workplace, the achievement mantra of organizations are cooperation, common regard, respectability and pride of workforce the present aggressive world requires exceptionally energetic workforce with high in require accomplishment. One of the key components which draw in and hold performing representatives is inspirational state of mind and development openings gave to them absence of good workplace and development openings prompts high turnover. The association should plan strategies and plans for worker maintenance and make excellent inside culture to draw in and hold gifted representatives. The present case has made an attempt to study the retention strategies adopted by TCS, HCL, Wipro, and Infosys to retain their employee, to meet this objective secondary sources which include books, journals, articles and newspapers, websites were referred.



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INTRODUCTION:

In today's era it is impossible for an organisation to survive if its top performers quit. It is essential for the management to retain its valuable employees who think in favour of the organisation and contribute their level best. An organisation needs employees who are loyal and work harder will full dedication to achieve the organisation's objective. Employee retention is defined as an organisations ability to retain its employees. It can also be called as a process, in which the resources are motivated and encouraged to stay in an organisation for a longer period of time for the sustainability of the organisation. The ultimate aim of employee retention is to make both stakeholders, i.e., employees and employer happier. It facilitates loyal employees sticking to the company for a longer duration, which in turn will benefit both stakeholders. Employee retention is not just a matter that can be dealt with record and reports. It purely depends upon how the employers understand the various concerns of employees and how they help them resolve their problems, when they are in need. Every organisation spend time and invests money in grooming new employees and

make them ready. Most of the organizations are very effective, when it comes to attracting and hiring new talents, but they fail in retaining the same talents. There can be many reasons for an employee to leave an organization. It is very essential for an organization to know the reasons, which can help the organization in making the job attractive and encourage the employees to stay with the organization. The first and foremost requirement is to measure the key factors which influence the retention rates, such as salary expectations, employee engagement, working environment and boss/managers. Once these measurements are identified, the initiatives are to be planned and to be implemented for improvement of the retention rate.

RETENTION STRATEGY PERSPECTIVE:-

Retaining top talent is a priority for every organization, in every industry and every part of the globe. However, turnover isn't always a bad thing. It's important for every organization to see an ongoing, regular influx new talent that bring fresh idea and experience along with a different perspective. Turnover can help an organization and invites everyone to continually examine and challenge common practices and assumptions, looking for ways to improve. But, too much turnover can harm the organization, resulting in uneven workloads, lower employee morale or engagement, loss of corporate knowledge/memory, lack of continuity, particularly in customer or supplier relationships, Problems with quality or productivity. There are some organization which follows different kind of retention strategies that are: On boarding and orientation, Mentorship programs, Employee compensation, Perks, Wellness offerings, Communication and feedback, Annual performance reviews, Training and development, Recognition and rewards systems, Work-life balance, Flexible working arrangements, dealing with change, Fostering teamwork, acknowledge milestones large and small.

Tata consultancy service (TCS), was founded in 1968; and it has 22.3 billion US\$ of net worth, the largest provider of information technology (IT) and business process outsourcing (BPO) services in India has enabled the company to attract, integrate, develop and retain the best talent required for driving business growth. Employee retention and motivation are greatly facilitated through closer engagement with employees and by fostering a spirit of community, through shared activities beyond work. Retention strategies followed by different Sporting activities at the national, regional and local level which encourages employees to

participate on TCS campuses and also focus on wellness, diverse activities including yoga, aerobics, tennis, badminton coaching, and cricket and football tournaments, Career planning and Development, Recognition to star performers / high fliers is given to recognize outstanding talent, Best project award is given to promote a spirit of internal competition across work groups to foster teamwork, as well as bonus are the retention strategies

HCL, was founded on 11 August 1976; and it has 10 billion US\$ of net worth, they launched an "Employee First Customers Second" campaign several years ago, in the belief that empowering employees helps engage them and satisfy customers. It introduced a mechanism by which any employee can give feedback to senior leaders and began making managers' performance appraisals available online through its intranet, including employee assessments of managerial performance, strategic vision, ability to communicate, problem-solving skills, and responsiveness. HCL Technologies has initiated "Career Power" - a comprehensive career planning and development program portal which provides a framework where each employee is empowered to plan a desired career path or option. HCL has designed an interactive Performance management tool to "perform" that tracks results achieved through daily, weekly, monthly and quarterly reviews. HCL's 360-degree feedback system places an emphasis on identification of developmental needs; goal setting; and career planning, as well as performance assessment and rewards Performance evaluations are used to determine salaries for only the top 15 percent of performers, and all other employees receive fixed salaries. HCL Technologies also provide self-evaluation tools with which employees can assess their strengths and interests. In addition to monetary rewards, HCL Technologies provides non-monetary rewards including thank-you cards and recognition letters.

Wipro was founded on 29 December 1945; and it has 8.47 billion of net worth. They believe that the employees are entitled to the best of benefits. Hence, the employees are at liberty to choose their flexible benefits plan, to help them plan their taxes through their salary stack; Quarterly Performance Linked Compensation is a variable component in the salary stack which would be paid out on a quarterly basis. Retention strategies followed by Medical Assistance Program and the medical benefit Scheme, under the Life and Accident cover, the employees are entitled to the Group personal accident Insurance Program, Group life Insurance Program and Employee Deposit linked Insurance (EDLI) Program, provides work life balance, paid holidays, maternity benefit with extended law of absence and sabbaticals,

employees are also encouraged to be a part of various Corporate Social Responsibility campaigns under the banner "Wipro Cares", set in an environment of transparency, fun and fair play which makes Wipro one of the most desirable workplaces.

Infosys was founded on 7 July 1981; and it has 12.4 billion US\$ of net worth. They have different employee retention strategies like Talent Development which is a key aspect of Infosys' employee retention strategy, career planning and development and creating a favourable work environment that is committed to equipping the employees with the skills and competencies necessary for their career and personal growth.

CASE CONCLUSION:

Employee retention plays a major role and it's significantly needed in the organization. A company can have a great product but without the support of staff, it is likely to be not that successful. Having a satisfied workforce has become a competitive advantage for companies as it ensure that employees provide their best performance which in turn is reflected on the performance of company. The case discusses the Retention practices of several companies, a snapshot is presented below:

Table -1: Snapshot of the Key Retention strategies of selected companies for the study

TCS	HCL	Wipro	Infosys
<ul style="list-style-type: none"> ✓ Career planning ✓ Bonus ✓ Recognition award to star performer ✓ Sporting activities 	<ul style="list-style-type: none"> ✓ Career planning ✓ Performance appraisal 	<ul style="list-style-type: none"> ✓ Flexible benefits ✓ Health ✓ Work life balance 	<ul style="list-style-type: none"> ✓ Talent development ✓ Career planning and development

Employee retention helps to maintain a better connection among management and employees. Nowadays to retain employee has become difficult task so in order to retain the employee for longer period various Employee retention strategies are implemented. Every organization has different sets of Employee retention strategies and they follow it vigorously. Although the retention strategies does support the business domain however the varied forms of the strategies does give a scope of constant review & improvements. Also a dilemma crops up which become the broad aspect to be discussed upon – Is the Employee/ stakeholders/owners of the organization satisfied with the Employee retention strategies implemented in the industry? Or Do now a-days IT Industry provide more importance for

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Employee retention strategies in the organization than other aspects? It's the time to think upon.

TEACHING NOTES FOR THE CASE:

TEACHING OBJECTIVES:

The following Teaching Objectives may be considered with respect to the case:

1. To demonstrate the understanding of Employee retention strategies in the organization.
2. To recognize the significance of best Employee retention strategies performed in organizations.
3. To present the readers an opportunity to deliberate upon the essentials of Employee retention strategies Performed in an organization.

LEVEL OF ANALYSIS:

The present case is teaching case with focus on Appraisal case approach. The analysis focuses on understanding Employee Retention Strategies in IT industries. The case is suitable for the practical & case study approach at the level of Management students. To be specific BBA Final year students & MBA students shall have a deserving benefit out of this Management case. Executive MBA students & start-ups in respective industry may also get benefitted. Industry at large will be a party to the benefits of the learning from the case.

CASE ASSIGNMENTS:

As part of the case study delivery, participants may be assigned certain tasks pre & post delivery of the case.

Pre discussion Task: Gather fair understanding on employee retention strategy through E-sources.

Post discussion Task: Conduct review of further literature pertaining to the theme of case.

BROAD DISCUSSION QUESTIONS:

Q.1: Discuss the significance of the Employee Retention Strategies for organizations in IT industry?

Q.2: Highlight the Employee Retention Strategies and its impact experienced by various organizations discussed in the case.

Q.3: How essential is the Employee Retention strategy for any Organisation? Highlight five leading employee retention strategies practiced globally.

READING REFERENCES:

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The following references may be helpful in gaining further insights on the theme of the case:

- Ananda, D. K. (2017). Employee retention strategies. *Global research of management and business research*, 17(2249-4588).
- Das, B. L. (2013). Employee Retention.
- Philips, J. (n.d.) *Managing Employee Retention: A Strategic Accountability Approach*.

POTENTIAL BENEFITS OF THE CASE:

➤ **Students of Management Education:**

- Students shall gather learning on the Retention strategies in light of the IT Industry discussed in the case.
- The case will be helpful in HR Strategic Management Subjects and overall shall support in gaining better HR aspects.
- The case shall assist in learning the fundamentals of Retention strategies.

➤ **Executive of Companies:**

- The case being a HR management topic, this will support the management in augmenting the Retention strategies at the organizations in various aspects, which eventually shall benefit the Organizations.

➤ **Start-ups in Industry:**

- The new companies stepping in the business will find this case as a good example with HR activities at businesses.
- They will inculcate the value of developing businesses through HR function.

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Reference:

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