



EMPLOYEE RETENTION POLICIES IN MULTI NATIONAL COMPANIES

N.Aruna

Student

Management

David Memorial Degree and PG college
drasraorao@gmail.com

Abstract

A set up where people meet up and work as one to accomplish a shared objective is called as association. People cooperating in an association to gain their meat and potatoes just as make benefits are called workers. Representatives are the life saver of an association and contribute viably to its fruitful running and benefit making. An association can't endure if the workers are not genuine about it and are progressively worried about their own advantages. Worker maintenance alludes to the different approaches and practices which let the representatives adhere to an association for a more extended timeframe.

Introduction

Every organization invests time and money to groom a new joinee, make him a corporate ready material and bring him at par with the existing employees. The organization is completely at loss when the employees leave their job once they are fully trained. Employee retention takes into account the various measures taken so that an individual stays in an organization for the maximum period of time.

Why do Employees Leave ?

Research says that most of the employees leave an organization out of frustration and constant friction with their superiors or other team members. In some cases low salary, lack of growth prospects and motivation compel an employee to look for a change. The management must try its level best to retain those employees who are really important for the system and are known to be effective contributors.

It is the responsibility of the line managers as well as the management to ensure that the employees are satisfied with their roles and responsibilities and the job is offering them a new challenge and learning every day.

Let us understand the concept of employee retention with the help of an example:

Misha was a talented employee who delivered her best and completed all her work within the desired time frame. Her work lacked errors and was always found to be innovative and thought provoking. She never interfered in anybody else's work and stayed away from unnecessary gossips and rumours. She avoided loitering around at the workplace, was serious about her work and no doubts her performance was always appreciable. Greg, her immediate boss never really liked Misha and considered her as his biggest threat at the workplace. He



left no stone unturned to insult and demotivate Misha. Soon, Misha got fed up with Greg and decided to move on.

Situation 1 - The HR did not make any efforts to retain Misha and accepted her resignation.

Situation 2 - The HR immediately intervened and discussed the several issues which prompted Misha to think for a change. They tried their level best to convince Misha and even appointed a new boss to make the things better for her.

Situation 1 would most likely leave the organization in the lurch. It is not easy to find an employee who gels well with the system and understands the work. Hiring an employee, training him and making him fit to work in an organization incur huge costs and thus sincere efforts must be made to retain the employee. Every problem has a solution and the management must probe into the exact reasons of an employee's displeasure. Employees sticking to an organization for a longer time tend to know the organization better and develop a feeling of attachment towards it. The employees who stay for a longer duration are familiar with the company policies, guidelines as well as rules and regulations and thus can contribute more effectively than individuals who come and go.

Employee retention techniques go a long way in motivating the employees for them to enjoy their work and avoid changing jobs frequently.

Need & Importance of Employee Retention

Representative Retention alludes to the systems utilized by the administration to enable the workers to remain with the association for a more extended timeframe. Worker maintenance procedures go far in rousing the representatives with the goal that they adhere to the association for the most extreme time and contribute adequately. True endeavors must be taken to guarantee development and learning for the representatives in their present assignments and for them to make the most of their work.

Worker maintenance has turned into a noteworthy worry for corporates in the present situation. People once being prepared tend to move to different associations for better prospects. Rewarding pay, agreeable timings, better feel, development prospects are a portion of the elements which brief a worker to search for a change. At whatever point a capable worker communicates his readiness to proceed onward, it is the obligation of the administration and the human asset group to intercede promptly and discover the accurate reasons prompting the choice.

Let us understand why retaining a valuable employee is essential for an organization.

- **Hiring is not an easy process:** The HR Professional waitlists couple of people from a huge pool of ability, conducts primer meetings and in the long run advances it to the separate line administrators who further barbecue them to pass judgment on whether



they are fit for the association or not. Enrolling the correct hopeful is a tedious procedure.

- **An organization invests time and money in grooming an individual and make him ready to work and understand the corporate culture:** Another joinee is totally crude and the administration truly needs to endeavor to prepare him for his general advancement. It is a finished wastage of time and cash when an individual leaves an association out of the blue. The HR needs to begin the enlistment procedure once more for a similar opening; an insignificant duplication of work. Finding a correct worker for an association is a repetitive occupation and all endeavors basically go squander when the representative leaves.
- **When an individual resigns from his present organization, it is more likely that he would join the competitors:** In such cases, representatives will in general take every one of the techniques, strategies from the present association to the upgraded one. People take all the significant information, data and measurements to their new association and now and again even release the insider facts of the past association. To keep away from such cases, it is basic that the new joinee is made to sign a record which prevents him from passing on any data regardless of whether he leaves the association. Exacting arrangement ought to be made which averts the representatives to join the contenders. This is a powerful method to hold the workers.
- **The employees working for a longer period of time are more familiar with the company's policies, guidelines and thus they adjust better:** They perform better than individuals who change jobs frequently. Employees who spend a considerable time in an organization know the organization in and out and thus are in a position to contribute effectively.
- **Every individual needs time to adjust with others:** One needs time to know his colleagues well, be amicable with them and in the end trust them. Associations are constantly profited when the workers are perfect with one another and talk about things among themselves to turn out with something gainful for all. At the point when another individual replaces a current representative, modification issues harvest up. People discover it extremely hard to set up a solace level with the other individual. In the wake of hitting a compatibility with a current worker, it is a test for the representatives to modify with another person and in particular trust him. It is a human inclination to contrast another joinee and the past workers and dependably discover blames in him.
- **It has been observed that individuals sticking to an organization for a longer span are more loyal towards the management and the organization:** They enjoy all kinds of benefits from the organization and as a result are more attached to it. They hardly badmouth their organization and always think in favour of the management. For them the organization comes first and all other things later.
- **It is essential for the organization to retain the valuable employees showing potential:** Each association needs persevering and gifted representatives who can truly turn out with something inventive and extraordinary. No association can endure



if all the top entertainers quit. It is fundamental for the association to hold those representatives who truly buckle down and are irreplaceable for the framework.

The administration must comprehend the contrast between an important representative and a worker who doesn't contribute a lot to the association. Earnest endeavors must be made to support the workers with the goal that they remain glad in the present association and don't search for a change.

Let us go through some strategies to retain an individual:

An employee looks for a change when his job becomes monotonous and does not offer anything new. It is essential for everyone to enjoy whatever he does. **The responsibilities must be delegated according to the individual's specialization and interests.** It is the responsibility of the team leader to assign challenging work to his team members for them to enjoy work and do not treat it as a burden. Performance reviews are important to find out whether the employees are really happy with their work or not.

- **Constant disputes among employees encourage them to go for a change.** Clashes must be kept away from to keep up the dignity of the spot and abstain from spreading antagonism around. Advance exercises which bring the workers closer. Arrange open air picnics, casual social gathering for the workers to know each other better and fortify the bond among themselves. Give them a chance to make companions at the work environment whom they can truly trust. Companionship among workers is one in number factor which holds representatives. People who have solid companions at the work environment are hesitant to proceed onward for kinship. Nobody likes to leave an association where he gets mental harmony. It is fundamental to have a heartfelt domain at the working environment.
- **The human resource department must ensure that it is hiring the right candidate.** Clashes must be kept away from to keep up the dignity of the spot and abstain from spreading antagonism around. Advance exercises which bring the workers closer. Arrange open air picnics, casual social gathering for the workers to know each other better and fortify the bond among themselves. Give them a chance to make companions at the work environment whom they can truly trust. Companionship among workers is one in number factor which holds representatives. People who have solid companions at the work environment are hesitant to proceed onward for kinship. Nobody likes to leave an association where he gets mental harmony. It is fundamental to have a heartfelt domain at the working environment.
- **Employee recognition is one of the most important factors which go a long way in retaining employees.** Nothing works superior to valuing the representatives. Their diligent work must be recognized. Money related advantages, for example, impetuses, advantages, money prize likewise rouse the workers to an enormous degree and they lean toward adhering to the association. The entertainers must have an upper edge and ought to get an exceptional treatment from the administration.



- **Performance appraisals are also important for an employee to stay motivated and avoid looking for a change.** The salary hike should be directly proportional to the hard work put by the employees. Partiality must be avoided as it demotivates the talented ones and prompt them to look for a better opportunity.
- **The salary of the employees must be discussed at the time of the interview.** The components of the salary must be transparent and thoroughly discussed with the individuals at the time of joining to avoid confusions later. The individuals should be made to join only when the salary as well as other terms and conditions are acceptable to them.
- **The company's rules and regulations should be made to benefit the employees.** They should be employee friendly. Allow them to take a leave on their birthdays or come a little late once or twice in a month. It is important for the management to understand the employees to gain their trust and confidence. The consistent performers must also have a say in the company's decisions for them to feel important.

Conclusion

Workers are the real resources of any association. An association can't endure if the people are not focussed and genuine about their work. The achievement and disappointment of any association rely upon the diligent work put by the representatives to accomplish the objectives of the association. It is a typical perception that workers who invest a decent measure of energy in the association will in general find out about it and along these lines contribute successfully. They build up a feeling of faithfulness towards their working environment and endeavor hard to satisfy the desires for the administration.

There are a few reasons with respect to why a worker chooses to proceed onward. Fiscal disappointment, a negative situation at the working environment, filthy governmental issues, convoluted chains of importance, absence of testing work, poor supervision being the significant ones. In the present situation practically all the main associations are confronting the issue of representative maintenance. The board some way or another neglects to stop the high potential representatives and in this manner face the negative results. It turns out to be extremely hard for the association to hold the workers who choose to stop for a superior chance.

Reference :

1. <https://www.managementstudyguide.com/effects-of-poor-employee-retention.htm>
2. <https://www.roberthalf.com/blog/management-tips/effective-employee-retention-strategies>
3. <https://business.dailypay.com/blog/employee-retention>
4. <https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/how-to-reduce-employee-turnover-through-robust-retention-strategies.aspx>

