"WHAT MAKES IT EMPLOYEES STAY IN THEIR JOB:

A STUDY ON THE EFFECT OF JOB RELATED AND ORGANISATIONAL FACTORS ON RETENTION LEVEL AMONG THE IT EMPLOYEES IN KERALA".

CHAPTER 1
INTRODUCTION

WHAT MAKES IT EMPLOYEES STAY IN THEIR JOB:

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ABSTRACT

Human resources are the life-blood of any organization. Even though most of the organizations are now a days, found to be technology driven, yet human resources are required to run the technology. They are the most vital and dynamic resources of any organization. With all round development in each and every area of the economy, there is stiff competition in the market. With this development and competition, there are lots and lots of avenues and opportunities available in the hands of the human resources. The biggest challenge that organizations are facing today is not only managing these resources but also retaining them. The aim of undertaking this study was to examine the effect of job related and organisational factors on the retention level among the IT employees. A questionnaire containing 30 items were used for the study. The questionnaire was completed by 125 IT employees. The test of reliability of the scale was assessed using Cronbach's α and the value was found to be 0.93. Multiple regression was used to analyse the data and the results of the study indicates that model for studying retention intention is significant. Both organisational and job related factors were found out to be significant. For future researches, it is advised to include a more comprehensive review of literature on retention. This research on employee retention has a huge implication for the HR managers in every IT company in India so as to retain the best talent in the organisation in order for increased competitive advantage for the organisation.

INTRODUCTION

An employee walking out of an organisation is internally painful both for the organization as well as for other employees; it isn't just a hindrance on the professional front, but it also creates a dent in the social life within the organization. Teams are disturbed, superior-subordinate relationships are disrupted, and informal group in an organisation break down. Apart from the loss of experienced and skilled employees who leave the company, it also has a negative effect on a firm's relationship with other organizations, moreover a huge effect on the firm's relationship with their stakeholders, particularly when the employee who quits had been associating with other organizations.

When an employee quits the firm, there is a learning curve involved in understanding the job and the organization which brings down the productivity of the organisation. Moreover, when an employee leaves the organisation there is a harm of intellectual capital which in turn acts as a cost, because the firm not just lose human capital and relational capital, but there is a potential gain of these assets by their competitors. It also becomes very difficult to fill the gap with any new recruits within a short while. The cost of employee attrition involves the expenditure already incurred by the organisation on recruitment, selection and training of new employees and the development of other. Rapid employee turnover is not good for the image of the company also as a secure employer. Potential future candidates are hesitant about approaching the company for a job; other employees on seeing their colleagues in search of greener pastures tend to start about of leaving the organization.

Keeping in perspective all such costs of employee turnover, organizations have realized that it is important to retain employees and create a stable workforce, and they now try to focus on how to formulate as well as implement a complete retention strategy for the employees so that the turnover rates can be brought down. Therefore, organisation's overall strategies are trying to accommodate employee retention as well in it. And in order to form such strategies it becomes very important to identify those factors that contribute to the employee's intention to stay in the organisation.

There is an extensive literature on employee turnover and why employees leave organisations. Until fairly recently it was assumed that the reasons why people stayed in an organisation were the same as the reasons why people leave organisations. Intention to stay was seen as simply the converse of the turnover intention. According to Reitz and Anderson

(2011) the "reasons why a person stays at a job are not the reverse of the reasons why that same person might leave".

It is highly acknowledged fact that the IT Industry, being in the service sector is fully dependent on its human resources, and therefore the employees should be given the first priority of all the factors of production. And of all the industries it is seen nowadays that the IT sector has been experiencing some rough weather when it comes to retaining their employees. The aim of this study was to identify and ascertain factors that are associated with the retention of IT employees in Kerala. The objective of this study is to identify those job related and organisational factors that has an impact on retention level of IT employees.

CHAPTER 2

LITERATURE REVIEW

LITERATURE REVIEW

Any organisation's success and depends a lot on its ability to retain the key employees. To an excessive degree customer contentment, performance of the firm in terms of sales, satisfied co-workers and reporting staff, effective succession planning etc., is all reliant on the capacity to retain the best personnel in any organization. Encouraging people to stay in the organization for a long time can be termed as employee retention. It is a procedure or process by which the employees are encouraged to remain with the organization for the maximum duration of time or till a project is completed. Maertz & Campion (1998) stated "relatively less turnover research has focused specifically on how an employee decides to remain with an organization and what determines this attachment…and so the process of retention when should be clubbed with the quitting processes".

Zineldin, (2000) has viewed retention as "an obligation to continue to do business or exchange with a particular company on an ongoing basis". Denton (2000) has indicated that the employees who try to improve the customer satisfaction of the organisation are the ones who are highly dedicated, happy and satisfied with their jobs. Stauss et al., (2001) has defined retention as "customer liking, identification, commitment, trust, readiness to recommend, and repurchase intentions, with the first four being emotional-cognitive retention constructs, and the last two being behavioral intentions" . Panoch, (2001) has put forward the thought that in today's time, firms try hard and take a lot of effort and care of those employees that are good and valuable to the organisation. He has also said that the main reason for such a behaviour from the organisation's point of view is because it is now extremely difficult to find the right personnel for the jobs.

Walker (2001) had another view of retaining employees. He stated that it is important to manage as well as retain promising employees because it serves as a fundamental mean for achieving competitive advantage for the organisations. Cutler (2001) brought in the view that one of the most important demands on management today in any organization is keeping the most essential and dynamic human resources motivated and dedicated. It is not important to see who the organization hires but what counts is that who are kept in the firm. Steel, Griffeth, & Hom (2002) added to this view that "the fact is often overlooked, but the reasons people stay are not always the same as the reasons people leave". Researchers such as Amadasu(2003); Taplin et al.(2003); Gberevbie(2008) have established from their study that organisations that have accepted and adopted appropriate strategies in order to retain the employees will be successful in retaining them thereby achieving organisational goals.

Various authors have brought out different factors that can contribute to the retention intention of the employees.

Table 2.1

Literature review on retention intention

FACTORS	AUTHORS	PAPER	
Compensation	C.O. Trevor, B. Gerhart, J.W. Boudreau.	Voluntary turnover and job performance: curvilinear and the moderating influences of salary growth and promotions.	1997
	D.Davies, R. Taylor, C. Savery.	The role of appraisal, remuneration and training in improving staff relations in the Western Australian accommodation industry: A comparative study.	2001
	DG Gardner, L Van Dyne, JL Pierce.	The effects of pay level on organization-based self-esteem and performance: a field study.	2004
	GM Milkovich, JM Newman	Compensation (8th ed.).	2004
	E Moncraz,.,J.Zhao, and C.Kay.	An exploratory study on US lodging properties, organizational practices and employee turnover and retention.	2009
Reward and Recognition	N.C. Agarwal	Reward Systems: Emerging Trends and Issues.	1998
	J.W. Walker	"Perspectives" Human resource planning"	2001
	L.T. Silbert	The effect of Tangible Rewards on Perceived Organizational Support.	2005
Promotion and opportunity for Growth	M. R. Pergamit, and J. R.Veum.	"What is a promotion?"	1999
	Meyer, John, Laryssa Topolnytsky, Henryk Krajewski and Ian Gellatly.	Best Practices: Employee Retention	2003
	B.J. Prince.	Career-focused employee transfer processes.	2005
	L. Eyster, R Johnson	Current strategies to employ & retain older workers	2008

	and E. Toder		
Participation in Decision Making	P.Hewitt	High Performance Workplaces: The Role of Employee Involvement in a Modern Economy	2002
	Y. Noah	A Study of Worker Participation in Management Decision Making Within Selected Establishments in Lagos, Nigeria.	2008
Work- Life balance	J. Hyman and J. Summers	"Lacking balance? Work-life employment practices in the modern economy"	2004
Work environment	N. Miller, A. Erickson & B. Yust	Sense of place in the workplace: The relationship between personal objects and job satisfaction and motivation.	2001
	M.Wells & L. Thelen.	What does your workspace say about you? The influence of personality, status and workspace on personalization.	2002
	S. Ramlall	Managing Employee Retention as a Strategy for Increasing Organizational	2003
Training and development	M. Messmer.	Orientations programs can be key to employee retention	2000
	A. Tomlinson	High Technology workers want Respect	2002
	P. Garg & R. Rastongi	New model of job design motivation employees Performance.	2006
	L.W.	Handy The importance of the work environment variables on the transfer of training	2008
Leadership	R.Eisenberger, P. Fasolo, , & V. Davis-LaMastro	Perceived organizational support and employee diligence, commitment, and innovation.	1990
	McNeese- D.Smith	Job Satisfaction, Productivity, and Organizational Commitment.	1995
	Y. Brunetto, R .FarrWharton	Using social identity theory to explain the job satisfaction of public sector employees.	2002
	Chung-Hsiung Fang,	Applying Structural Equation Model to Study of the	2009

	SueTing Chang, Guan-Li Chen	Relationship Model among leadership style, satisfaction, Organization commitment and Performance in hospital industry.	
Job-Security	J.C.Abegglen	The Japanese Factory. Aspects of Its Social Organization	1958
	S. Ashford, C .Lee, & P. Bobko	Content, causes, and consequences of job insecurity: A theory-based measure and substantive test	1989
	J. Davy, A. Kinicki, C. SchecK	Developing and testing a model of survivor responses to layoffs.	1991
	Z. Rosenblatt, A. Ruvio	A test of a multidimensional model of job insecurity. The case of Israeli teachers.	1996

Compensation and employee retention

Trevor et al. (1997) has proved that rise in pay has a negative impact on turnover. Davies, Taylor, & Savery (2001) forwarded the view that compensation to top workers is given by every organization but very few organizations uses it strategically. They said that "Salary and benefits policies are not being used strategically, within the organization to improve morale, reduce turnover, and achieve targets within an establishment". Gardner et al., (2004) were of the view that pay is considered as a motivator as well as employee retention technique. Milkovich & Newman (2004) have clearly stated that among all types of reward, monetary pay is considered one of the most important and significant factor in retention. In a research by Moncraz, Zhao & Kay (2009) it was concluded that although compensation was not one of the top factors influencing non-management turnover but compensation can act as a critical factor in reducing managerial turnover and increasing commitment.

Reward and recognition

Agarwal (1998) gave an explanation to the term reward as something that the organization offers to the employees in response of the work as well as performance and something which is desired by the employees. According to Walker (2001), recognition from bosses, team members, coworkers and customer enhance loyalty. "Watson Wyatt" a global consulting firm, conducted a survey in USA, in the year 2002 among 12750 employees at all

levels of job and in all major industry sectors to know about their attitudes toward their workplace and their employers. It was found in the survey that recognition is important for workers and they want to listen that their work followed recognized and appreciated. Silbert (2005) forwarded the view that reward is important because it has an enduring impression on employees which, in turn, gives the employees an impression that they are valued in the organization.

Promotion and Opportunity for growth

Pergamit & Veum (1989) in their study found a close and positive correlation between promotions and job satisfaction and which in turn helps in retaining employees. Research by Meyer et al, (2003) has shown internal career development of employees is often the best predictor of an employee's effective commitment. Prince (2005) argued that talented employees are required for maintaining a competitive advantage and employees want career growth opportunities to develop and rise in their career ladder. Such plans include advancement plans, internal promotion and accurate career previews at the time of hiring. Eyster, et al. (2008) state that job flexibility along with lucrative career and life options, is a critical incentive for all employees.

Participation in decision-making

Hewitt (2002) has mentioned that modern businesses always keeps its employees well informed about all the important affairs of its business and involves them in decision-making at all levels which can exploit the talents of its employees. Supporting the view Noah (2008) found in his research that employee involvement in decision-making helps in creating a sense of belongingness among the employees, which helps in creating a good congenial working environment and contributes towards building a good employer-employee relationship.

Work-life balance and employee retention

Work-life balance is increasingly important for engagement and affects retention. Hyman et al., (2003) in their empirical research in the UK found that interventions of work demands into personal life (e.g. working during the week-end) resulted into heightened stress and emotional exhaustion among the employees. In a study conducted by the Australian Telework Advisory Committee (2006) it was found that 70% of businesses that incorporated telework options reported a number of positive benefits, such as increased business

productivity and reduced costs, improved employee flexibility and work life balance, and increased workforce participation.

Work environment and employee retention

According to Miller, Erickson & Yust (2001), employees get benefited by work environment that provide sense of belonging. Wells & Thelen (2002) have stated in their study that organizations which have generous human resource policies, have a very good chance to satisfy and retain employees by providing them an appropriate level of privacy and sound control on work environment which enhances the motivation levels to commit with the organization for the long term. Ramlall (2003) stressed the need for recognizing the individual needs of an employee in an organization as it will encourage commitment and provide a suitable work environment.

Training and Development and Employee Retention

Messmer (2000) found that one of the important factors in employee retention is investment on employee training and career development. Organization always invests in the form of training and development on those workers from whom they expect to return and give output on its investment. Tomlinson (2002) forwarded the view that organizations can keep the leading edge in this competitive world by having their employees well trained in the latest technologies. Garg & Rastogi (2006), explained that in today's competitive environment feedback is very essential for organizations from employees and the more knowledge the employee learn, the more he or she will perform and meet the global challenges of the market place. Handy (2008) has mentioned that proper innovation, and assimilation of new knowledge is essential for survival in any work environment. Thus knowledge is the most expensive asset of any firm.

Leadership and Employee Retention

Eisenberger and associates (1990) suggested that employee's perception regarding an organization is strongly influenced by their relationship with the supervisor. McNeese-Smith (1995) mentioned in his study on Leadership behavior of hospital directors found that there is significantly positive relation between productivity, work satisfaction and organizational commitment of staff. Brunetto and Farr-Wharton (2002) were of the view that supervision of the immediate manager increases the level of job satisfaction in the public sector employees.

Chung-Hsiung Fang, Sue-Ting Chang, Guan-Li Chen (2009) has found that leadership style can affect organizational commitment and work satisfaction positively and work satisfaction can affect organizational commitment and work performance positively.

Job Security and Employee Retention

Abegglen (1958) found during the study of Japanese workers that employment features like lifetime employment and seniority system, job security lead to high commitment, job satisfaction as well as retention of employees in an organization .Researchers such as Ashford et al., (1989); Davy et al., (1991) conducted studies on job security and job satisfaction and found that that job dissatisfaction is the outcome of insecurity among employees. Rosenblatt and Ruvio, (1996) conducted a research on the job insecurity and found that job performance and organizational commitment are negatively correlated with job insecurity.

FACTORS OF RETENTION LEVEL:

To obtain a detailed perspective of the various factors which will affect employee retention the above researches gave insights to it. A total of eight factors under job and organisation was identified. And they are as follows:

Management

The role of management as a key factor in the retention of professional workers has been cited by several studies. Andrews and Wan (2009) link improved nurse retention to manager behaviour (p. 342) and Snyder and Lopez (2002) emphasise the role of leaders in an organisation in encouraging the talent of the organisation to stay. Kaye and Jordan-Evans (2002) talk emphasises the importance of having "a good boss". In the factor management, there are two aspects that can play a role in retaining the employees. They "appropriate style of leadership" (e.g. Spence Laschinger et al., 2009) and perceived management support (e.g. Paillé, 2013).

Appropriate style of leadership

In today's time it is important for IT employees to feel that they are values in terms of their professional knowledge as well as skills. This is because it is important that they make decisions and choices about issues which they believe are within their specialised domain. In view of health care employees, Stichler (2005) talks of "leaders and managers who are

comfortable in breaking down the traditional barriers to create shared leadership models, participative styles, and enabling models of leadership that make employees feel valued as participants in decisions that affect their professional practice" (p. 405).

Perceived management support

Ellett et al. (2007) discusses the significance of "supportive, quality supervision" and "leadership that values employees" and Joo (2010) puts forward the need of the workers being supervised in a supportive fashion, especially for knowledge workers. Many researches have observed that the sense of being supported by a person's senior or even a manager is more central for retaining the employee than just the feeling of supportive feeling given by their organisaition (e.g. Eisenberger et al., 2002; Paillé, 2013). Major research that have been conducted in USA has also given out consistent relationship which shows that there is a relationship between what the manager perceives of support and employee retention and this same result can be applied to the Indian IT professionals (Tymon et al., 2011, p. 296). Mignonac & Richebé (2012) maintain the significance of dis-interested support of the supervisor that is to say support with no strings attached. The various studies that shows the importance of perceived superior support includes Naqvi & Bashir (2008), Pitts et al. (2011), Horwitz et al. (2003), Ito & Brotheridge (2005) and Karatepe (2013). Thus the literature would appear to support the significance of the role of management particularly in relation to management style and level of managerial support.

Conducive environment

Another factor of importance in the retention of professional workers appears to be the work environment. An atmosphere which is conducive to retaining their employees is one where the experience of working provided by the organisation is pleasant, the resources are sufficient and to some extend there is flexibility in the environment. The ones who can influence is the HR managers by ensuring that professional groups have access to sufficient resources and that flexibility within the organisation is reciprocal. Wood et al. (2013) established through his study that resources in an organisation is a very important factor in terms of retaining the midwives as did Alexander et al. (1998) with psychiatric nurses. Flexibility in the context of health professionals was found to be a significant factor by Loan-Clarke et al. (2010) and in child welfare professionals by Ellett et al. (2007). Moncarz et al. (2009) brought out the significance of having a working environment that is full of fun as well as flexibility. Horwitz et al. (2003) but also debated that of being a "fun" place to work

should be given to a work environment only and only if the important employees are to be raetained in that organisation. Consequently the key features of a conducive environment would appear to be the availability of sufficient resources to perform the job, flexibility and a pleasant or fun place to work.

Social support

Another important deciding factor in retention would appear to be relationships with co-workers. A study of nurse managers found that the second most frequent reason given for leaving their job was the relationship with their head of department (Jasper, 2007, p. 245) and that relationships between colleagues featured high amongst work place stressors. Pitts et al. (2011) provide evidence to suggest that employees' satisfaction with their relationships with other employees is related to employee retention. The characteristics of social support should include the feeling of being part of the team and which have colleagues that are caring and at the same time who are friendly and who are there to look up as well as consult as and when required.

Development opportunities

Another deciding factor in relation to retention is the extent to which the employing organisation provides opportunities for personal and professional growth (Horwitz et al., 2003). This is frequently predicated with talk of the new psychological contract where the responsibility for development is seen as shifting increasingly to the individual (Beck, 2000). The resignation of knowledge workers has been found to be related to issues connected with their career (Horwitz et al., 2003; Rolfe, 2005) and high retention cultures have been found to be characterised by the encouragement of continued learning (Stichler, 2005). Cardy and Lengnick-Hall (2011) assert that developmental opportunities can increase employee commitment to stay as do Kroon and Freese (2013). This is 106 confirmed by Arnold (2005), Herman (2005) and Hiltrop (1999) amongst others.

Thus an important characteristic would appear to be the potential to develop new competences and the availability of career prospects

Autonomy

Autonomy is a key feature of job satisfaction and has been found to be a job characteristic which is particularly important for professional workers (Alexander et al., 1998;

Boyle et al., 1999; Ellenbecker, 2003; Hart, 2005; Tai et al., 1998; Tremblay et al., 2006). Thus the ability to be autonomous in difficult as well as critical situation is important when we talk on retention of the employees. Thus autonomy can be seen to be characterised by the ability to choose how to do one's work; having influence over one's work; and flexibility in workload decisions.

Compensation

Compensation is often assumed to be a key factor in employee retention. When shortages of professional workers are discussed one of the key factors identified is often compensation. The role of compensation does not, however, appear to be a straight forward one. Hytter (2007) demonstrated that rewards have an indirect influence on retention and Ellenbecker (2004) notes that wage rates only have a modest effect on nurse retention. According to Hayes et al. (2006) pay it-self is not a key factor in retention. Perceived equity in relation to compensation is mentioned as an important factor in the retention of IT professionals by Paré & Tremblay (2000). The key characteristics of compensation in relation to retention would appear to be the perception that decisions relating to pay are transparent and that salaries are fair and based on performance and effort.

Crafted/sculpted workload

Some talk of a shift to "sculpting" jobs based on the life interests of professional workers (Butler & Waldrop, 2001). Wrzesniewski & Dutton (2001) propose that jobs can be crafted by employees by changing cognitive, task and/or relational boundaries to shape interactions and relationships with others at work. Mittal et al. (2009) found that the ability to craft their jobs was an important factor in the retention of care workers. Thus another important aspect is having a workload that is adapted to the resources and/or the abilities of the individual, with opportunities to be creative and to make full use of individual skills.

Work-life balance

Work-life balance has become an increasingly important factor for many professional workers. Differences observed across generations suggest that the current generation of professional workers demand flexible work schedules which allow for success in their personal as well as their professional life (e.g. Ellenbecker, 2003, p. 405). The balance between work and other life domains means that some professional workers will sacrifice

some degree of success in their work-life if this allows more time for other areas of life. Thus being able to find sufficient time for activities other than work is another key retention characteristic.

Table 2.2

LEVEL	RETENTION FACTORS	CHARACTERISTICS
ORGANISATIONAL	Management	Appropriate style of Leadership Support from top and other levels of management
	Conducive environment	Fun/pleasant place to work Adequate resources Flexibility
	Social support	Feeling part of the team Friendly and caring colleagues Colleagues who are available for consultation
	Development opportunities	Potential to develop new competences Promotion/career prospects
JOB	Autonomy	Possibility of choosing how to do one's work Having influence over one's work Flexibility in workload decisions
	Compensation	Transparent pay decisions A "fair" salary based on performance and effort
	Crafted/sculpted workload	Having a workload that is adapted to the resources/abilities of the individual Full skill utilisation Being creative

	Work-life balance	Being able to find sufficient time for activities other than work

As stated, some of these factors appear at the job level while others may appear at the organisational level. According to the model developed by the author, the "management", "conducive environment", "social support" and "develop opportunities" cluster together in an "organisational" group and the "autonomy", "compensation", "crafted/sculpted workload" and "work-life balance" cluster together in a "job" group. It is also proposed that the "job" and "organisational" level items predict individual employees' intention to remain in the organisation.

Figure 2.1

Research Model
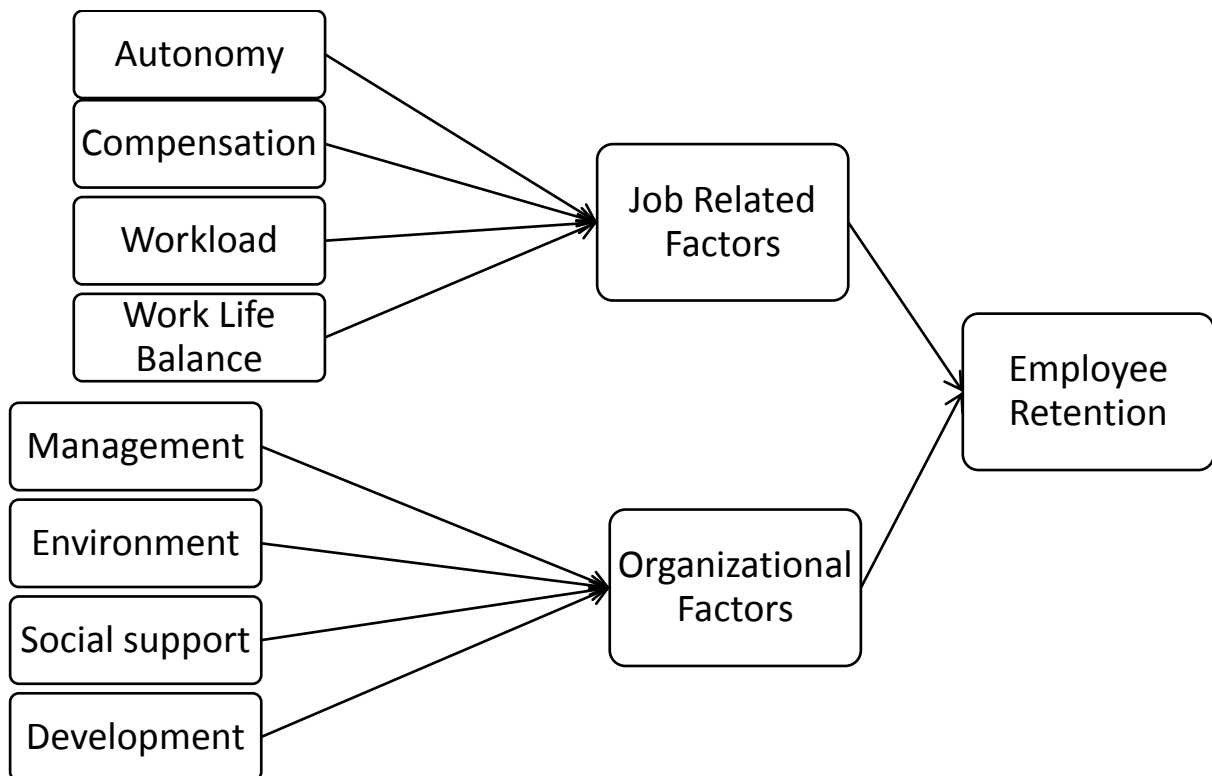
Apart from the above stated variables, two control variables are also included in the study.

Gender

Women are often considered less valuable with regard to human capital than their male counterparts because they are more likely to face interrupted careers for the considerations of families (Sicherman, 1996; Glass & Riley, 1998) and other issues such as sexual harassment (Glomb et al., 1999). Family issues have been reported to reduce women's investment in firm-specific human capital and thus partly account for their generally higher turnover rates (Barnes & Jones, 1974; Mincer & Polachek, 1974; Weisberg & Kirschenbaum, 1993).

Marital Status

Married people more often make job decisions based on relatively complicated concerns, including kinship responsibility (Blegen et al., 1988) and children issues (Glass & Riley, 1998). Such concerns may cause them to want to hold onto their jobs longer than unmarried people. In Taiwan, married people have an unemployment rate 1.91 per cent, while unmarried people have one of 8.18 per cent

Thus from the above review of literature I propose:

H1: Organisational factor has a significant effect on retention level

H2: Job related factors has a significant effect on retention level

CHAPTER 3

RESEARCH METHOD

METHOD

Data Collection Tool:

A short questionnaire consisting of 19 items relating to the characteristics outlined in Table I was used. The items were based on the characteristics and included items such as "I feel as if I am part of a team" and "I have friendly and caring colleagues" Items were measured on a five point Likert scale running from "strongly disagree" to "strongly agree". Additional items relating to retention which included "If it were up to me, I will definitely be working for this company for the next five years; It does not matter if I am working for this company or another, as long as I have work; I am planning on working for another company within a period of three years". Moreover some biographical data were also added to study more on the control variables used.

Sample:

The questionnaire used for this research were both administered electronically and in hard copy to the IT employees working in Kerala which included both male and female employees. The total sample collected were 133, out of which 8 were gave incomplete data and thus the remaining 125 were included in this study and considered as a valid sample for the study. In total, 53.6 per cent of those completing the questionnaire and answering this question were male and 46.4 per cent were female. Also 44.8 per cent of those respondents were married and the remaining 55.2 per cent of the respondents were unmarried (Table III). The participation of the respondents were entirely voluntary and was explained to them that it was part of a primary research that is conducted part of my curriculum. Moreover, I explained to them on the scale that is used and how to indicate their response.

Table 3.1

Gender

		Frequency	Percent
Valid	Male	67	53.6
	Female	58	46.4
	Total	125	100.0

Marital Status

		Frequency	Percent
Valid	Married	56	44.8
	Unmarried	69	55.2
	Total	125	100.0

Table 3.2

Analysis:

In order to test the reliability of the scale of the questionnaire Cronbach's α and the value was found to be 0.933. The value was above the accepted level of 0.6 which states that the scale is reliable (Table IV).

Reliability Statistics

Cronbach's Alpha	N of Items
.933	30

Table 3.3

CHAPTER 4
RESULT

RESULT

A regression analysis was started with Retention intention as its dependent variables. Job related and organisational factors were the two independent variables used. It was found that both these predictors that is the model in total could predict 59.1 per cent of the variance in the dependent variable Retention Intention (see table 4.1).

Table 4.1

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.769[a]	.591	.584	6.10190

a. Predictors: (Constant), Job_Factors, Organisational_Factors

When the overall significance of the model was tested, it was found that model was significant (p=0.000). Table 4.2 shows the overall significance of the model.

Table 4.2

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6552.780	2	3276.390	87.996	0.000[a]
	Residual	4542.452	122	37.233		
	Total	11095.232	124			

a. Predictors: (Constant), Job_Factors, Organisational_Factors

b. Dependent Variable: Retention

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On considering the independent variables separately, it was found that both organisational (p=.004) and Job related factors (p=0.000) were statistically significant. Table 4.3 shows that Job related factors are better predictors (Beta=.575) of retention intention as compared to the organisational factors.
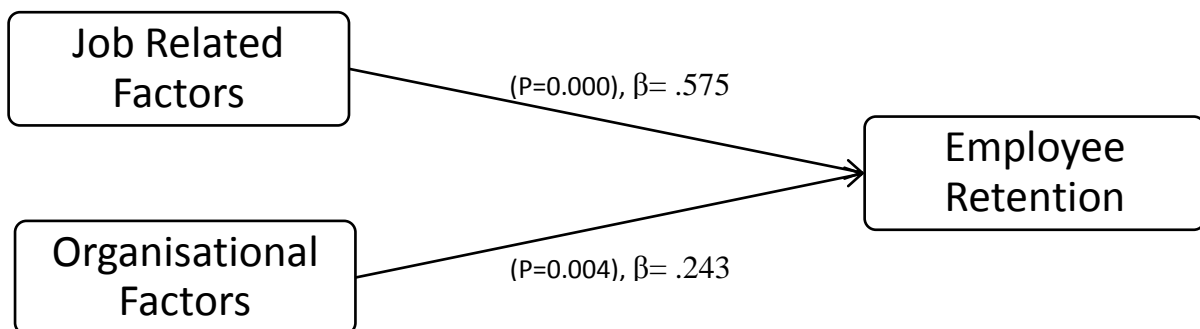
Table 4.3

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-3.303	4.306		-.767	.445
	Organisational_Factors	.448	.154	.243	2.911	.004
	Job_Factors	.811	.118	.575	6.892	.000

a. Dependent Variable: Retention

MEASUREMENT MODEL

Figure 4.1

Further Table 4.4 shows a statistical test, Durbin-Watson test that is used for detecting auto correlation between the predictors. The Durbin- Watson value was found to be 1.525 which is just above the required scale of 1.5 to 2.5. This thus indicated that there is no issue of correlation between the predictor variables used. The R square value varies slightly with comparison to the overall model's test as here the method used is step wise regression and the factors are considered one by one.

Table 4.4

Table showing Durbin-Watson test

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.789^a	.623	.597	6.00477	1.525

a. Predictors: (Constant), Worklife_Balance, Social_Support, Compensation, Condusive_Environment, Development_Opportunity, Management, Autonomy, Sculpted_Workload

b. Dependent Variable: Retention

Further a Step wise regression analysis was conducted (see table 4.5). Three predictors namely Autonomy, Management and Sculpted work load was used. It was seen that Autonomy could alone explain 46.1 per cent of the variance in Retention Intention. Autonomy and management could explain 58.4 per cent of the variation in Retention Intention. Whereas Autonomy, Management and Sculpted Workload together explained 60.2 per cent of variance in Retention Intention.

Table 4.5

Table showing step wise regression

Model Summary^d

| Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.679[a]	.461	.457	6.97353
2	.764[b]	.584	.577	6.14985
3	.776[c]	.602	.592	6.04299

a. Predictors: (Constant), Autonomy

b. Predictors: (Constant), Autonomy, Management

c. Predictors: (Constant), Autonomy, Management, Sculpted_Workload

d. Dependent Variable: Retention

And finally a scatterplot diagram was used to identify if any patterns can be observed from the respondents data. As figure II shows, no particular patterns could be identified from the diagram and thus from the data collected.

Figure 4.2

Scatterplot

Dependent Variable: Retention
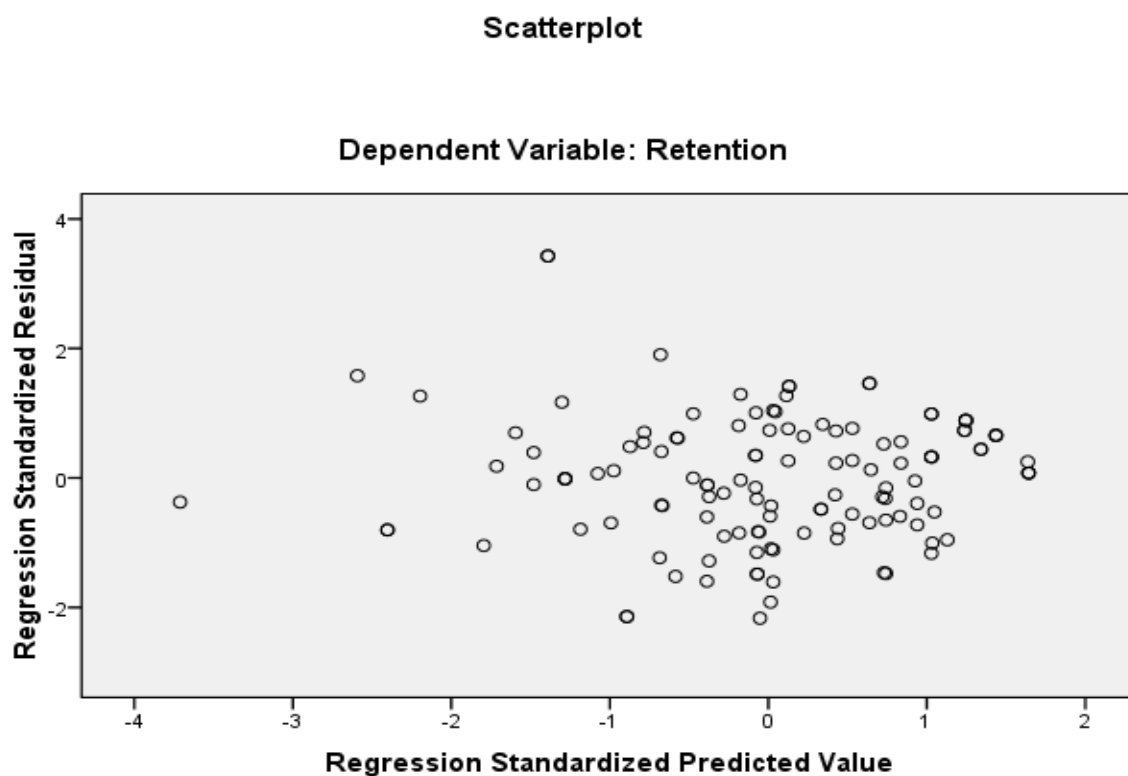
Influence of Gender and Marital Status on Retention Intention

The mean retention values between genders are shown in Table 4.6. It can be observed that the mean retention values between males (mean=40.7313) and females (mean=40.2069) are close. But the retention values of males are slightly above the females.

Table 4.6

Statistical analysis of "Gender"

Retention * Gender

Retention

Gender	Mean	N	Std. Deviation
Male	40.7313	67	8.63148
Female	40.2069	58	10.40371
Total	40.4880	125	9.45926

With respect to marital status and retention intention, the mean scores varied between the married and unmarried employees. It was found that the mean value of Married employees (mean=44.2321) is above the mean value of unmarried employees (mean=37.4493).

Table 4.7

Statistical analysis of "Marital Status"

Retention * Marital_Status

Retention

Marital_Status	Mean	N	Std. Deviation
Married	44.2321	56	9.63515
Unmarried	37.4493	69	8.19529
Total	40.4880	125	9.45926

CHAPTER 6

DISCUSSIONS, IMPLICATION, LIMITATION AND CONCLUSIONS

DISCUSSIONS AND IMPLICATIONS

The statistics found supports all our hypothesis. Organisational and Job related factors both together helps in predicting the retention intention of the employees.

Summary of results:

Organisational factors: As predicted the organisational factors had a significant effect on retention intention. Out of all the factors under organisation, Management appeared to predict the retention level higher than the rest of the organisational factors. Several writers have commented upon the importance of management style (e.g. Tremblay et al., 2006; Duffield & O'Brien-Pallas, 2003) as a feature in the retention of professional workers. This is supported by the results obtained in this study.

Job related factors: As hypothesised, the job related factors also had a significant effect on retention level of employees. In the parent article the results showed that the organisational factors had a higher effect on retention intention. But our results were contrary to this. In comparison to the organisational factors, we can conclude that the job related factors are better predictors of retention intention as seen from the Beta values. Among the Job factors, Autonomy and sculpted workload predict the dependent variable the most.

Moreover *gender and marital* status were seen to have an influence over the retention strategy, that is, it was seen the retention intention scores changed considerable between married and unmarried employees and between male and female respondents. Even though the difference on gender wasn't much, there was a significant difference in the retention values of married and unmarried employees. Thus we can conclude from this that married employees in comparison to unmarried employees and male employees in comparison to the female employees.

Implications:

By collecting and evaluating the primary data collected from the IT employees in Kerala, this study has sought to understand which factors affect the retention level for the IT employees in Kerala.

It was found that both organisational and job related factors could predict the retention level of employees. In this highly competitive industry, people are the main resource. For the employees to retain in the organisation, the company should not only have a good management style but also provide the employee autonomy to do their work and enabling them to bring in creativity to their work.

This study has practical implication on HR practitioners in the IT industry so as to retain the most talented resources in this highly competitive time. Since employee attrition is costly for the organisation it is important to identify what are the factors that create the intention to stay in the organisation.

In IT organisations, they should try providing the employee with the possibility of choosing how to do one's work and also providing influence over one's work and also providing flexibility in workload. Also managers should ensure that the workload can be adapted to the resources available. Managers should also ensure that the skills of the employees are fully utilised.

The study has been conducted in the Indian context and thus the factors that have emerged to be important predictors for the intention to stay will be unique to the employees in India.

LIMITATIONS:

Besides the best of efforts, this study has short comings. We have investigated the relationship of only organisational and job related factors and their influence on employee retention. A more comprehensive study on the factors such as the state of the economy and other individual factors need to be considered for better results. Moreover the sample size for this study was only 125. A bigger sample would help in bringing out the results more accurately.

Normally in a study the variation in responses is created do to the perception differences between the respondents in the same organisation. But in this research, since the study tries to cover the IT industry, the responses will be varying due to not just perception differences in the individuals but also due to the differences in the organisation to which they belong.

SCOPE FOR FUTURE RESEARCH

For future researches, a more comprehensive analysis of factors that include environmental, situational and individual factors need to be included. Moreover if we study about the IT industry, it would be suggested to also analyse or have a comparative study among the different IT organisations so that brings out why a company is able to retain its employees over other companies. Another addition can be a study on the relationship between recognition and employees intention to stay.

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APPENDIX

QUESTIONNAIRE

WHAT MAKES IT EMPLOYEES STAY

Please indicate your level of agreement with the following statements

1 - Strongly Disagree   2 - Disagree   3 -Neutral   4 - Agree   5 -Strongly Agree

	Statements	1	2	3	4	5
1.	People here are given a say in decisions					
2.	My managers are prepared to be flexible					
3.	I enjoy working here					
4.	Managers here are supportive					
5.	My job allows me to be creative					
6.	I am provided with adequate resources to do my job well					
7.	I can choose how to do my work					
8.	My colleagues are always available when I need them					
9.	Financial rewards are fairly distributed					
10.	I am expected to take a flexible attitude to my work					
11.	It is clear why people receive the financial rewards they do					
12.	My workload is flexible					
13.	I am given the opportunity to develop new skills					
14.	My job makes full use of my skills					
15.	There are no career or promotion prospects					
16.	I find it hard to find time for things outside of work					
17.	I have to do whatever work I am given					
18.	I feel as if I am part of a team					
19.	I have friendly and caring colleagues					
20.	I'm planning on working for another company within a period of three years					

21.	Within this company my work gives me satisfaction					
22.	If I wanted to do another job or function, I would first look at the possibilities within this company					
23.	I see a future for myself within this company					
24.	It doesn't matter if I'm working for this company or another, as long as I have work					
25.	If it were up to me, I will definitely be working for this company for the next five years					
26.	If I could start over again, I would choose to work for another company					
27.	If I received an attractive job offer from another company, I would take the job					
28.	The work I'm doing is very important to me					
29.	I love working for this company					
30.	I have checked out a job in another company previously					

Gender   ☐ Male   ☐ Female

Marital Status   ☐ Married   ☐ Unmarried

Retention Level Q20-Q30	Organisational factors	Management	Q4, Q1
		Condusive environement	Q2, Q3, Q6
		social support	Q8, Q18, Q19
		Development Opportunities	Q13, Q15
	Job Related Factors	Autonomy	Q7, Q10, Q17
		Compensation	Q9, Q11
		Sculpted workload	Q5, Q14, Q12
		Work Life Balance	Q16