



A Comparative Study of Job Satisfaction and its Impact on Employee Retention Practices in Chemical Industry at, Bharuch District

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ABSTRACT

Job satisfaction is the level of contentment a person feels regarding their job. It is one of the major factors of Attitude formation and which directly impact on Organization's retention rate.

We can make a distinction between two types of job satisfaction on the basis of hygiene theory one is affective job satisfaction related with the extent of pleasurable emotional feelings individuals have about their jobs overall, and other is cognitive job satisfaction is the extent of Individuals' satisfaction with particular hygiene factors related to their jobs. Job satisfaction can be also influenced by a person's ability to complete tasks, the level of communication & the way management treats employees. Which directly influence on formulation of retention strategies at organization.

Employee retention refers to the ability of an organization to retain their employees. This now becomes the strategy rather than the outcome.

KEYWORDS: Job Satisfaction, Cognitive Job satisfaction, hygiene factor, retention rate

Introduction to Industry:

The chemical industry comprises of the companies those produces industrial chemicals. Those convert raw materials (oil, natural gas, air, water, metals, and minerals) into more than 70,000 different products. The diverse spectrum of products can be broken down into a number of categories, including inorganic and organic (commodity) chemicals, drugs and pharmaceuticals, plastics and petrochemicals, dyes and pigments, fine and specialty chemicals, pesticides and agrochemicals, and fertilizers.

Gujarat has achieved an annual growth rate of 10.5% p.a. over the past five years and contributes ~16% to the industrial production of the country. The chemical and petrochemical industry in Gujarat is the fastest growing sector in the State's economy. Gujarat is the leading producer of major chemical Products.

Introduction to Topic:

Job satisfaction is about how employee feels contented about their jobs. It always much about how individual gets satisfied by his work if he is satisfied about his job he will perform more if he is not satisfied from his job gradually he reduced the interest of working at his job and ultimately it will reflect upon his results.

As employees loses the interest to work with organization he will try to look for another job or leave the organization or even if he keep working with the Organization until he get good opportunity out ,he will not perform well .

So by this we can say that job satisfaction level has direct effect on retention rate.

Definition:

Job satisfaction as any combination of psychological, physiological and environmental circumstances that cause person to say I am satisfied with my job. (Hoppock ,1935)

Job satisfaction focuses on affective Orientation on the part of individuals towards work load which they are occupying at their job. (Vroom,1964)

Job satisfaction also refers to the attitude and feeling people have about their work. Positive and favorable attitude toward job indicate job satisfaction, while negative and unfavorable attitudes towards job indicate job Dissatisfaction. (Armstrong,2006)

Hygiene Theory:

When employees asked at organization when they get pleased or displeased by their work. Herzberg found that factors causing job satisfaction are considered as motivators those are long lasting factors which are different from factors causing job dissatisfaction they are called as hygiene factors. So we can termed Hygiene factors are those job related factors which are essential for existence of motivation at workplace.

These do not lead to positive satisfaction for long-term. But if these factors are absent at workplace then they lead to dissatisfaction. When those factors are adequate in a job, those pacify the employees and do not make them dissatisfied. These factors are extrinsic to work. Hygiene factors are also called as factors describe the job environment. The hygiene factors symbolized the physiological needs which the individuals expected to be fulfilled. Those includes Company Policy, Supervision, Relationship with Boss and Peers, Work Conditions, Working hours etc. these are also called as cognitive factors related to job satisfaction. If Person is not satisfied with his job he comes across the stage of Emotional dissonance where discrepancy between public displays of emotions and internal experiences of emotions exists which leads to low organizational commitment and low job satisfaction.

Meaning of Employee retention refers to the ability of an organization to retain their employees. Employee retention can be represented by employers attempt to retain employees in their workforce. In this sense, retention becomes the strategies rather than the outcome.

In organizations the goal of employers is usually to decrease employee turnover, thereby decreasing training costs, recruitment costs and loss of talent and organizational knowledge. To improve retention rates and decrease the associated costs of high turnover.

Retention strategy refers to the various policies and practices which let the employees stick to an organization for a longer period of time.

Every organization invests time and money to groom a new joiner, 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.

According to Get Les McKeon's

Employee retention is define as effective employee retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their needs. And which also concern about the costs of employee turnover .Replacement costs usually are 2.5 times the salary of the individual. The costs associated with turnover may include lost customers, business and damaged morale etc.

Need & Importance of Retention:

Hiring is a complicated process: The HR Professional shortlists few individuals from a large pool of talent, conducts preliminary interviews further grill them to judge whether they are fit for the organization or not. Recruiting the right candidate is a time consuming process.

An organization invests time and money in grooming an individual and makes him ready to work and understand the corporate culture.

When an individual resigns from his present organization, it is more likely that he would join the competitors: In such cases, employees tend to take all the strategies, policies from the current organization to the new one. Individuals take all the important data, information and statistics to their new organization and in some cases even leak the secrets of the previous organization.

It has been observed that individuals sticking to an organization for a longer span are more loyal towards the management as well as to the organization.

Research Objective:

- The Main Objective to find direct relation between job satisfaction and employee retention.
- To make employer aware about importance of employee retention.
- To maximize Productivity.
- To reduce Employees Turnover ratio/ attrition rate.
- To reduce recruitment cost.

Research Methodology:

Research Methodology is a way to solve the research problems systematically. The scope of research methodology is wider than research method. Research methodology deals with the research methods and takes into consideration the logic behind the methods which we use.

Research Design:

I have undertaken Descriptive Research Design with Descriptive Research survey and fact finding inquiries of different kind.

Sources of Data:

Primary Data : collected from some Primary sources of chemical companies at bharuch District names are as follows Godrej Industries limited, Vardhaman acrylic , Shriram Alkali & chemicals (SAC) , Lanxess India Pvt Ltd, Gujarat Alkali Chemical Limited (GACL) ,Grasim Industries Limited ,United phosphorous Limited(UPL).

I have collected these data from Observation as well as by arranging some Personal interviews with employees.

Secondary Data:

I have taken secondary data from some books and research Papers related to the subject for some basic Concepts and theories.

Data collection Method:

Quantitative data sampling with 2) Interviews Method 3) structured questionnaires

Sampling Method:

It is quite difficult to conduct census study in terms of covering all Chemical Companies at Bharuch District. So I have taken samples through Convince Sampling Method which will be representative of census population.

Hypothesis:

I would like to establish direct relation between two comparative factors Job satisfaction and Employee Retention strategies. If we can prove that Job satisfaction have direct relation with retention rate then we can conclude that job satisfaction and job related hygiene factors have direct relation with employees job related attitude so on that basis employer can always decide how long employee will be get retained with his organization.

By analyzing following hypothesis test we can conclude that

HO: There is no significant relationship between employee's job satisfaction & retention rate

H1: There is significant relationship between employee's job satisfaction & retention rate

Have you ever thought of leaving the organization? * Satisfied with current job profile. Cross-tabulation Count						
		Satisfied with current job profile.				Total
		Yes	No	3	4	
Have you ever thought of leaving the organization?	Yes	8	2	1	1	12
	No	23	0	0	0	23
Total		31	2	1	1	35

Table-1

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.656 ^a	3	.034
Likelihood Ratio	9.600	3	.022
Linear-by-Linear Association	6.708	1	.010
N of Valid Cases	35		

Table-2

Interpretation

By analyzing Table-1 & 2 it elucidate the relation between two variables of our hypothesis .I have applied chi-square test and on the basis of results I can interpret that resultant figure is 0.034. Which is <0.05 therefore. Ho is rejected. And H1 will be accepted. So we can conclude that There is significant relationship between employee's job satisfaction & attrition rate (That is employee's leaving the job) .so we can understand that as employees are more satisfied at Organization they will never leave the job and give their best output to the Organization . This type of Positive approach of employees helps employer to retain their workforce.

So, we can conclude that job satisfaction will directly relate to employee retention rate.

Major Findings Of The Study Are:

- Based on research it is found that majority of employees are satisfied with the current profile.
- Employees have good relationship with reporting the manager.
- Employer gets recognition for timely allocation of rewards or incentives or sharing their credit to employees
- An employee also focuses on infrastructure & equipment provided while taking decision to change.
- An employee's accept that fun at work have positive impact on their motivational level.
- Employees also consider factors like freedom of ideas, opportunities & responsibilities shared to them.
- It is found that company's policies & practices have major impact on their job which makes them either more easy or difficult.

Suggestions

Identify and eliminate the major reasons that cause people to quit.

Allow members to share their opinion and ideas with others.

Offer a competitive compensation package.

Provide opportunities for growth and development.

Recognize members for their hard work and Give feedback on employee performance on a regular basis.

Use employee engagement programs that energize and engage your workforce.

Provide mentoring as well as training programs to enhance their skills & develop their career growth.

Create a total reward structure which provides more than just compensation.

Try to inculcate friendly environment at organization.

Conclusion:

On the basis of above study I want to conclude that as we all know

retention is an important issue Prevailing in current market condition so that has been receiving considerable attention from academicians, researchers and practicing HR managers. Their can be many of reasons which we can relate with that like market s supply –Demand ratio of employees ,companies policies ,Procedures, salary etc.but finally we can conclude the root cause of this issue is Job satisfaction which is inclusive in nature but it have direct impact on retention rate.

If employees are happy and satisfied with their job they will stick to one organization and perform best but if they are not satisfied with their job they try to leave the job or they cannot give their best.

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