



## A Study On Employee Retention for Sustaining the Talented Employees in Health Care Industry in a Private Multi-Speciality Organization

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### ABSTRACT

*Emerging trends in today's fast changing corporations are pointing urgently to the need that business and human performance experts must address not only survival and security needs, but also the higher-level needs for respect, recognition, achievement, and life-long learning. These work place motivators and satisfiers are potent determinants of retention. Employee Retention is one of the important aspects of an organization. The subject retention deals about identification of human behavior and indicate their personnel feeling, it is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. A successful organization knows how to attract and retain its employees. This is one of the hottest topics for corporate leaders of all fields in India and across the world. Some organizations are on the top because they value their employees and know how to keep them glued to the organization. Whatever the reason, personal or professional, the employers should take care of employees. If they don't, they could be left without enough good employees. The supervisors must be prepared to be collaborative, supportive, and nurturing their people. The "my-way-or-the-highway" style of management is a thing of the past. Employee retention involves being sensitive to employee's needs and demonstrating the various strategies, as told in Roger Herman's classic book on employee retention. The environment, relationship, support, growth and compensation are the various measures to be taken to encourage employees to remain with the organization for the maximum period of time.*

**Keywords : Talent management, Talent retention, Recruitment cost, Employee engagement**

### INTRODUCTION:

The integration of economy with the global order, and the consequent blurring of national boundaries have given talent mobility an importance as never before.

Emergence of new technologies and processes, dramatic shift in the behavior of consumers, attitudes and lifestyle, social and political climate, economic conditions like inflation, rate of interest and impact of global markets, emergence of new competitors, changing employee aspirations and demands of an evolving market have altered the existing market scenario drastically.

### NEED FOR EMPLOYEE RETENTION:

Retention of employees has become a primary concern in many organizations for several reasons. Employees need to be retained for the following reasons.

- i. Existing employee skills, talents, values, aptitude, commitment and contribution is known better based on performance.
- ii. Potential of the new employee, sometimes, may be a myth.
- iii. Existing employees' cultural fit is judged and tested.
- iv. Existing employees' aspirations and expectations are clear.
- v. Existing employees' family members already adjusted to the company's community environment.
- vi. Existing employee has already completed the adjustment stage and is in contributing and performance stage.

- vii. There won't be further cost of recruitment, relocation and training, in case of existing employees.

### IMPORTANCE OF EMPLOYEE RETENTION:

Retaining talented employees from getting poached along with reducing the turnover costs are the key areas that need to be given some serious thought. Huge amounts are being spent on hiring and training the recruits and hence the cost of employee turnover adds a lot of money to a company's expenses. Employees who leave the organization take along with them valuable information regarding the company, its customers, current projects and other confidential data. Employees build relationships with customers and clients and help the organization to grow but once they leave, such relationships are severed and can cause potential client loss.

### EMPLOYEE ENGAGEMENT AS A TOOL FOR EMPLOYEE RETENTION:

Engagement is a state where an individual is not only intellectually committed but has great emotional attachment with the job that goes above and beyond the call of duty so as to further the interest of the organization. Providing a great infrastructure, a great office, an inspiring leader and a challenging work is just not enough to engage any employee at work. Organizations have to give its people the freedom to make their work exciting and also to give them an environment wherein they can say good-bye to a monotonous work life. With increase in family responsibilities at home and a desire to excel in their career, employees often get distracted from their work which needs to be well taken care of. Working in a safe and cooperative environment adds to the engagement level of any employee. Some of the key drivers that keep employees engaged are:

- a. Type and nature of job: The job should be challenging

and should motivate them to work well along with a self-driven interest to outperform in their respective areas of work.

- b. Relation between organizational performance and employees:** Employees need to know that their work and goals are contributing towards fulfillment of organizational goals and objectives as well. The moment this sense of thought comes in mind, the level of engagement with the work will rise and the employees will always look forward to contribute more and also effectively.
- c. Growth opportunities:** People join organizations to have a good career growth, thus ample opportunities should be given to the workforce so that they can make the best use of their talents.
- d. Brand name:** Employees feel proud to be a part of the organization. Their confidence level and the feel of association with the company will be highly positive. The brand name makes them feel highly special and engaged.
- e. Peer members:** Co-workers make a lot of difference to the way we actually stay in an organization. Having good relations and helping attitude among peers can provide a sense of emotional attachment and a feel of belongingness towards the work.
- f. Skill enhancement:** If an organization doesn't provide a room for value addition in terms of better skill development and improving the overall personality of an individual, it becomes really tough to engage employees. Hence, getting ample of job opportunities can make employees more committed and dedicated to their work.
- g. Relationship with the boss:** A friendly and open communication is a must while dealing with the immediate boss. This will avoid grievances, lesser frustration and a transparency in the boss-subordinate relationship.

#### DETERMINANTS OF EMPLOYEE RETENTION:

It has been recognized by both employers and employees that some common areas affect employee retention. If certain organizational components are being provided, then other factors may affect retention. Surveys of employees consistently show that career opportunities and rewards are the two most important determinants of retention. Finally, job design, work factors and fair and supportive employee relationships with others inside the organization contribute to retention.

#### A. ORGANIZATIONAL COMPONENTS:

A number of organizational components influence individuals in their decisions to stay or leave their employers. Organizations that have positive, distinctive cultures and values have fewer turnovers.

- i. Organizational Culture and values:** Organizational culture is a pattern of shared values and beliefs that provides organizational members meaning and rules for behavior. Numerous examples can be given for technical, professional, and administrative employees leaving firms because of corporate cultures that seem to devalue people and create barriers to the use of individual capabilities. In contrast, creating a culture that values people highly enables some corporations to successfully attract and retain employees.
- ii. Organizational strategies, opportunities, and management:** Other organizational components that affect employee retention are related to the strategies, opportunities, and management of the organization. In some organizations external events are seen as threatening, whereas others see changes as challenges requiring responses. The latter approach can be a source of competitive advantage, especially if an organization is in a growing, dynamic industry.

Organizations with clearly established goals that hold managers and employees accountable for accomplishing results are viewed as better places to work, especially by individuals wishing to progress both financially and career wise.

- iii. Job continuity and security:** Many individuals have seen a decline in job security over the past decade. All of the downsizings, layoffs, mergers and acquisitions, and organizational restructurings have affected employee loyalty and retention. Also as co-workers experience layoffs and job reductions, anxiety levels of the remaining employees rise. Consequently, employees start thinking about leaving before they too get cut. On the other hand, organizations where job continuity and security is high tend to have higher retention rates.

#### B. ORGANIZATIONAL CAREER OPPORTUNITIES:

Surveys of workers in all types of jobs consistently indicate that organizational career development efforts can significantly affect employee retention.

- i. Career development:** Organizations address career opportunities and development in a number of ways. Tuition and programs typically offered as benefits by many employers allow employees to pursue additional educational and training opportunities which can contribute to higher retention rates.
- ii. Career planning:** Organizations also increase employee retention by having formal career planning efforts. Career development and planning efforts often include mentoring programs whereby experienced managers and professionals serve as "career coaches" for younger or less experienced employees.

#### C. REWARDS AND RETENTION:

The tangible rewards that people receive for working come in the form of pay, incentives, and benefits.

- i. Competitive benefits:** Another compensation issue affecting employee retention is having competitive benefits programs. Offering health insurance, 401(K) retirement, tuition assistance, and many other benefits commonly offered by competing employers is vital.
- ii. Special benefits and perks:** A number of employers use a wide range of special benefits and perks to attract and retain employees. On-site recreation clubs, discount travel programs, day-care centers, and other resource benefits for employees.
- iii. Performance and compensation:** Many individuals expect their rewards to be differentiated from others based on performance. The performance management system and performance appraisal processes in organization must be linked to compensation increases. To achieve greater performance links to organizational and individual performance, a growing number of private-sector firms are using variable pay and incentives programs. These programs in the form of cash bonuses or lump sum payments are one mechanism used to reward extra performance. The growth of technology firms has highlighted another facet of performance differentiation, giving employees incentives in the form of stock options, organizational ownership, and other longer term rewards.
- iv. Recognition:** Employee recognition as a form of reward can be both tangible and intangible. Tangible recognition comes in many forms, such as "employee of the month", perfect attendance, or other special awards. Recognition also can be intangible and psychological in nature. Feedback from managers and supervisors that acknowledges extra effort and performance of individuals provides recognition, even though monetary rewards are not given.

#### EMPLOYEE RETENTION MANAGEMENT PROCESS:

In addition to identifying the determinants of retention, HR

professionals and their organizations have processes in place to manage retention of employees. Three phases exist in employee retention management process.

### I. RETENTION MEASUREMENT AND ASSESSMENT:

To ensure that appropriate actions are taken to enhance retention and reduce turnover, management decisions require data and analyses.

#### a. Measuring turnover:

The turnover rate for an organization can be computed in different ways. The following formula from the U.S. Department of Labor is widely used; in it separation means leaving the organization.

$$\text{I. Turnover} = \frac{\text{Number of employee separations during the month}}{\text{Total number of employees at midmonth}} * 100$$

#### b. Costs of turnover:

Determining turnover costs can be relatively simple or very complex, depending upon the nature of the efforts and data used. More detailed and sophisticated turnover costing models consider a number of factors. Some of the common areas considered include hiring costs, training costs, productivity costs and separation costs.

### EMPLOYEE SURVEYS:

Employee surveys can be used to diagnose specific problem areas, identify employee needs or preferences, and reveal areas in which HR activities are well received or are viewed negatively. Questionnaires can be sent to employees to collect ideas for revising a performance appraisal system or to determine how satisfied employees are with their benefits programs. Regardless of the topic of the survey, obtaining employee input provides managers and HR professionals with data on the "retention climate" in an organization.

### EXIT INTERVIEWS:

One widely used type of interview is the exit interview, in which individuals are asked to identify reasons for leaving the organization. A wide range of issues can be examined in an exit interview. The information then available can be used to aid retention of employees.

### II. RETENTION INTERVENTIONS:

Based on what the measurement and assessment data reveal, a variety of HR interventions can be undertaken to improve retentions. Turnover can be controlled and reduced in several ways. All HR functions from recruitment, selection, orientation, training, compensation, career development and planning and employee relations within the organization account for a successful retention of employees.

### III. EVALUATION AND FOLLOW-UP:

Once retention intervention efforts have been implemented, it is important that they be evaluated and appropriate follow-up and adjustments made. Regular review of turnover data and tracking of intervention implementation program in various departments can help in the aid of retention of employees.

### CONCLUSION:

The globalization of business is forcing the managers to retain high potential talents and develop them to be the best workers. The major challenge for managers and HR leaders is to convert threats into opportunities effectively via best available resources in order to recruit and retain them in the organization. Besides this, pursue succession planning and enable a workplace where employee's expectations are viewed clearly. Create an employment brand experience that motivates and energizes employees and can be used to attract new talent. What is important is to develop an understanding of what will keep employees glued to the organization and if done successfully, those employees have always proved to be fruitful across many industries rather than to search for new efficient talent. Organizations need to identify the routes to ensure employees feel they are growing with the industry and are not being exploited for a few bucks.

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