



# A STUDY ON IMPACT OF SOCIO-ECONOMIC PROFILE FOR ATTRITION IN TEXTILE SECTOR

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## Abstract

Textile industry is one of the highly dynamic and ever developing sectors in India with technological improvements in forefront. Recently Textile industry is facing a unique circumstance wherein controlling the Attrition has developed into a highly challenging duty of the employer, moreover it is highly challenging in Southern India. The employer of a business is faced with a condition where it has to continually look for replacement and regular hiring of manpower, which badly leaves them with sufficient time to frame the HR policies and other associated activities. Textile organization's key benefit is the highly capable technicians who are at the vital state of the novel development and innovation to remain the company competitively forward in the everrising challenging market. A strong talent strategy can ascertain the organizations to keep their extremely skilled talent, whereas taking lead to preserve healthy employee engagement and creating strong leaders who can direct the company through recovery in case of upcoming crisis. The primary objective of the research is to identify and discover the dimensions of employee attrition and retention in textile industry in south India.

**Keywords:** *Employee Attrition, Retention, Textile, South India*

## 1. Introduction

Employee attrition and retention are the primary challenges faced by, industry in India. The main purpose of the study is to recognize and explore the scope of employee attrition and retention in Textile industry in south India. Today, Indian Textile industry face a alarming challenge of employing and retaining talents at the same time they have to handle talent loss created by attrition or through intentional and individual turnover. In the 21<sup>st</sup> century the highest critical challenges to employers particularly in Textile Industry is to face the huge rate of employee attrition and it created the shortage of manpower with incessant rising demand for manpower. This circumstance in the Industry often creates many challenges to the employer though offering extensive opportunities and profits to the employees in the organization through the retention approaches (Vibha Gupta, 2013, Nargundkar and Rajendra, 2003).

This analysis has included the employee's personal factors, that is associated with the employee overall outlook about attrition influencing factor and followed retention strategies in employee service periodss, employee working conditions and employee welfare measures. The employee's personal features like age, gender, education qualification, marital status, tenure, employee experience and job designation (Sneha Mankikar, 2013, Hammer *et al.*, 2003, MitaMehta *et al.*, 2014).

## 2. Review of Literature

Indian Textile industry has also significantly grown in the conjugal and international business as well as these industries recently faces the formidable confronts of employee attrition and practicing efficient retention strategies to preserve the best talent in the organization (Bidisha Lahkar Das and Mukulesh Baruah, 2013).

The influence of Textile industries in India are creating larger revenues to the organization as well as rising the country's economic position, rising the employment opportunities, expand the living principles of employee and dependents, number of inventory of opportunities, which is the new opening for the business sectors in India.

Attrition has been at all times a sensitive concern in the Textile industry in India. The employee attrition is occurring even if giving amid the very best recompense across all business divisions. Particularly in the preceding few years the industry has been facing attrition across the country in the Textile division as huge as other sector.

In worldwide, employee attrition is a familiar serious concern for employers or human resource professionals in all industry segments. Today in the Textile, employers are facing the main challenges, i.e., employee attrition has influenced the overall efficiency of the organization and as well and profitability. In these circumstances the cost of replacing the paramount talents is high, discovering skilled employees can be hard in the employment market and also investments in employee training are little secure.

Consequently employee attrition is not a reasonably new concept in human resource management but the attributes of that issue has currently attracting the interest of public administration and industrial relations administration professionals crosswise the globe. Hence the organization has to use the cost of asset on employee with the business liberalization and globalization that is increasing business rivalry. Moreover, there are crucial factors of the organizational productivity namely highly stimulated and performing individuals. Thus employers or human resource management should recognize the employee attrition from the perception of causes and need to create the strategies to decrease the attrition (Vos and Meganck, 2009).

Yiu and Saner (2014) had stated that several leading industries in India are facing huge attrition rates. It is vital for Indian organizations to improve job satisfaction and organizational commitment amongst the employees instead of giving higher compensation to achieve employee retention. The core capability of Indian Textile division is availability of skilled and knowledgeable employees at less cost. The ten characteristics which are financial compensation, training and development, promotion, recognition, challenging work, innovation and creativity, leadership style, autonomy, work-life balance, and job satisfaction have been utilized for studying employee retention in software industry by Tseng and Wallace (2009).

Mak and Sockel (2001) had accomplished a study on information systems (IS) employees motivation and said that hidden motivation has an influence on hidden retention, with job satisfaction and insights of management on career development as indicator variables for the earlier, and burnout, loyalty, and turnover intent as indicator variables for the latter. The attributes like supervisor leadership style, longer period of stay in organization and compensation have an impact on employee retention (Chan & Morrison, 2000). The employees retention is positively inclined by age and learning opportunities given by the organization. The working conditions should be preserved properly for retention of talented employees (Govaerts, Kyndt, Dochy, & Baert, 2011).

Kim (2005) had detailed how job characteristics, work environment, and human resource management practices influence state IT employee turnover intentions. According to Mosen and Boss (2009) role ambiguity leads employee to exit the job. To obtain employee retention in IT sector, the managers should categorize the employees who are passionate on continuous learning and challenges, triggered through a incessant positive employee relationship (Bhatnagar, 2007).

### 3. Need for the Study

The study impounds the perception of employees on attrition and retention strategies followed in Textile Industry. Textile is established that the significance of relationship between employee's personal aspects- employee attitude on attrition and employment service conditions, working conditions, welfare methods for retention. This shall also open the approach for an elaborate analysis of attrition and retention strategies practiced in Textile Industry and presented suggestions to improve the retention strategies in Textile Efforts are also done in the study to propose relevant strategies and elucidations for a proper workable and proficient system in future in the backdrop of the problems recognized so as to enable the Human resource manager to enhance their retention strategies accordingly.

### 4. Objectives

The following are the objectives of the study.

- To examine the theoretical framework of employee attrition and retention in Textile Industry.
- To study the socio-economic profile of respondents in Textile industry in South India.
- To examine the determinant factors of employee attrition in the Textile industry in south India.

**Hypothesis:** There is no significant relationship between personal factors and overall opinion about job for Attrition.

### 5. Methodology and Sample design

This study has faced a lot of challenges in data collection. It needs extensive sample size at the same time the collected data must have comprehensive information on the insight of employee on attrition and retention in the Textile Industry in south India. In south India, the businesses registered under the software technology park of India have been included for collecting the required information. The companies with fewer than fifty employees are not integrated in the sample since they may not generally have a formal organizational policy or lack of man power and financial constrain to implementing the retention strategies in human resource department. The business procedure outsourcing companies are expelled in this study and were simple random sampling technique is applied to data collection.

The questionnaire has been involved of five sections including the employee background information, Employees attitude about job (Influencing factors) for attrition and service conditions for retention.

This questionnaire has been mailed to the professionals from human resource departments of the individual Textile Industry in south India. A follow up call and mail has been sent to each of the human resource professionals reminding them to give feedback. Overall, five hundred industries (employees) were chosen at random within the population of six hundred Textile industries in south India. The research was built on the questionnaire survey technique; for this study was utilized five hundred surveys were conducted.

#### *Dependent variables for Chi-square test and Mutiple regression*

The dependent variables used in this study are employee's personal factors for chi-squre test such as Employee Category, Age, Sex, Marital status, Experience, Education Qualification and Tenure.

The dependent variables used for multiple regression in this study are determinant factors of employee attrition and practiced retention strategies in working conditions, service condition. The employee category is classified as junior level management and senior level management, sex is classified as male and female. In addition to that, age, experience and tenure of the respondents is

measured as an important demographic, that age and experience of the respondents may influence in ascertaining the profession. This study carried out the age of the respondents is categorized into four groups as Below 30, 30-40 years, 41-50 years and above. The experience of the respondents is classified into four groups as below 5 years, 5-10 years, 11- 15 years and above. The respondent of tenure in the organization has been graded into three groups as less than 1 year, 1-3 years and above. The marital status is divided into two groups such as married and single. The education qualification is categorized into three groups such as graduate, post graduate and other.

The independent variables used in this study are influencing factor for attrition and working conditions.

### ***Influencing factor for attrition***

The various factors concerning in the employee attrition such as Employee marriage, Night shift, Family problem, Income, Higher education, Performance, Skill set, Leave, Behavior/ Motivation, Duration in current role, Training performance, Medical problems, Disciplinary actions, Maternity, Discrimination or Harassment, Nature of the work, Job Security, Job Status, Quantum of the work, Tardiness at work, Equipment given by the organization, Other facilities of work in your organization, Rewards and recognition.

### ***Working conditions***

The part of working conditions has a direct association with employee's decision to continue or leave the organization because usually perception of the employee is not only happy with their salary. The expectation of the employee is quality working environment, flexible shift time, effective communication with cooperative teams, good bosses, safety arrangements, fun at work, hours of work, and values of the organization.

### ***Statistical techniques used to analyse the data***

Data analysis includes the reducing data to calculable size, to create the summaries and applying statistical tools. After the data were collected the researcher processed the data, which includes various steps like editing, coding, classification, tabulation etc. This is one of the major steps in the research process. The processed data were analyzed.

Consequent to data collection proper tools and techniques were utilized for classification and analysis of data. The simple percentage is applied to classify the data. The simple percentage analysis acts as data representation technique for clear interpretation.

The data have been collected in Textile industry in south India. As this study includes more than two variables here by Multivariate Analysis has been used to analyzing the data since these techniques are largely empirical and deal with reality and they possess the capability to analyze complex data in a simple way.

The following multivariate analysis techniques have been applied in this study to analyse the data.

1. Reliability Test
2. Chi-square test

### ***Reliability test***

The test of reliability is applied to evaluate the reliability of the measurement. A measuring instrument is reliable if it presents consistent result. In this study we have utilized various statements to finding the "Employee attrition and retention: investigating the dimensions in Textile industry in south India". To decide whether those data are reliable in detecting the above characteristics or not, a statistical technique called Reliability item analysis. It has been used to compute the cronbach Co-efficient alpha and t-value to come to a conclusion that the statements utilized in the questionnaire are reliable.



*Chi Square test*

Chi Square is a statistical method which examines the relationship between two categorical variables. The test is subjected on the discrepancy between the observed number of observations in each group and the expected number of observations in each category.

### 6.Scope of the Study

This study seeks to recognize factors causing employee attrition in Textile Industry. In this continuation to analyze the significant of relationship between employee's personal factors and practiced retention strategies in service conditions. The study also creates an attempt to recommend and suggested the better approach for employee retention to the Textile Industry in India. These research findings help the HR Managers of these organizations in minimizing the attrition rate by creating effective retention strategies.

### Limitations of the Study

- The research was based on the questionnaire survey method for this purpose five hundred survey was conducted. A total of five hundred respondents were chosen within the population of six hundred industries.
- This study covered only Textile Industry and respondents are human resource professionals only.

### 7. Data Analysis

Textile Industry profession is a significant factor to be considered for the development of society. In a 21st century Textile Industry profession is a new phenomenon under those software profession is a major services to human beings. This study concentrates on the socio-economic background such as employee job category, sex, marriage, age, education qualification, experience and tenure. The main aim of the study are: to find out the social and economic background of the employees in Textile Industry in South India.

The investigation data from the above the software employees are working in Textile Industry in south India. 52.8 percent of the respondents are junior level management and 47.2 percent of respondents are senior level management. The age of the respondents are majority of the respondents belongs to middle aged professionals respondents are more, i.e., 31.2 percent is age between 30-40 years and followed by the respondents under the age group of 41-50 years is 25 per cent. Respondents belongs above 50 is 22.8 percent and below 30 years is 21 per cent.

The male respondents are majority compared to female respondents i.e., 52 percent of respondents are male and 48 percent of respondents are female. The experience of the employees are classified into four category i.e., 25 percent of respondents are below 5 years experienced but 33.4 percent of respondents are 5-10 years experienced, 16.8 percent of respondents are 11-15 years and 24.8 percent of respondents are above 15 years. The respondents of marital status are majority of single i.e., 77 percent and married respondents are 23 per cent. The respondents once asked about their educational background 50 percent have completed their post graduation, 23 percent of them have completed their graduation and 26.8 percent of them are other qualification. The employee tenure of the respondents are classifies three category i.e., less than 1 years respondents are 22.2 per cent, 1-3 years respondents are 39.6 percent and 38.2 percent respondents are more than 3 years.

**Table: 1 Socio –Economic profile of the respondents**

	CATEGORY	Freq	%
1	Junior Level Manager/ Executive	264	52.8
2	Senior Level Manager /Head	236	47.2
	<b>Total</b>	<b>500</b>	<b>100.0</b>
	<b>AGE</b>		
1	Below 30	105	21.0
2	30-40	156	31.2
3	41-50	125	25.0
4	Above 50	114	22.8
	<b>Total</b>	<b>500</b>	<b>100.0</b>
	<b>SEX</b>		
1	Male	260	52.0
2	Female	240	48.0
	<b>Total</b>	<b>500</b>	<b>100.0</b>
	<b>EXPERIENCE</b>		
1	Below 5 Years	125	25.0
2	5- 10 Years	167	33.4
3	11-15 Years	84	16.8
4	Above 15 Years	124	24.8
	<b>Total</b>	<b>500</b>	<b>100.0</b>
	<b>MARITAL STATUS</b>		
1	Married	115	23.0
2	Single	385	77.0
	<b>Total</b>	<b>500</b>	<b>100.0</b>
	<b>EDUCATION QUALIFICATION</b>		
1	Graduate	115	23.0
2	Post Graduate	251	50.2
3	Others	134	26.8
	<b>Total</b>	<b>500</b>	<b>100.0</b>
	<b>TENURE</b>		
1	Less than 1 year	111	22.2
2	1-3 years	198	39.6
3	More than 3 years	191	38.2
	<b>Total</b>	<b>500</b>	<b>100.0</b>

*Source:- Primary Data***Table 2 Chi-Square Tests**

Pearson Square	Chi-	Calculated Chi-square Value	df	P-Value	S/N S	Remarks
Category		64.443a	3	0.598*	NS	Accepted

*Source: Primary Data\*P>0.01 NS-Non-Significant*

It has been evident from the chi-square test that the p-value (0.598\*) has been greater than 0.01 and the result has been Non significant. Therefore, the null hypothesis (Ho) has been accepted and the alternative hypothesis (H1) has rejected. From the analysis it has been concluded that there is no relationship between the employee category and the employee attitude about attrition.

**Table 3. Association between sex and attitude about attrition**

S.No	Sex		Attitude about attrition			Total
			Low	Medium	High	
1	Male	Freq	84	51	125	260
		%	16.8%	10.2%	25.0%	52.0%
2	Female	Freq	100	63	77	240
		%	20.0%	12.6%	15.4%	48.0%
Total		Freq	184	114	202	500
		%	36.8%	22.8%	40.4%	100.0%

Source: Primary data

The above table highlight that the percentage of high recommendation about attrition has been 25.0 percent as high among respondents of male employee and low (15.4 percent) among respondents of female employee.

The percentage of medium recommendation about attrition has been 12.6 percent as high among respondents of female employee and 10.2 percent as low among respondents of male employee.

The percentage of low recommendation about attrition has been 20.0 percent as high among respondents of female employee and 16.8 percent as low among respondents of male employee.

## 8. Discussion and Conclusion

It has been identified from the results of the study, that the theoretical framework of employee turnover and retention is important. The investigation data from the above the software employees are working in Textile Industry in south India. 52.8 per cent of the respondents are junior level management and 47.2 per cent of respondents are senior level management. The age of the respondents are majority of the respondents belongs to middle aged professionals respondents are more, i.e., 31.2 per cent is age between 30-40 years and followed by the respondents under the age group of 41-50 years is 25 per cent. Respondents belongs above 50 is 22.8 per cent and below 30 years is 21 per cent. The male respondents are majority compared to female respondents i.e., 52 per cent of respondents are male and 48 per cent of respondents are female.

The experience of the employees are categorized into four category i.e., 25 percent of respondents are below 5 years experienced but 33.4 per cent of respondents are 5 -10 years experienced, 16.8 per cent of respondents are 11-15 years and 24.8 per cent of respondents are above 15 years. The respondents of marital status are majority of single i.e., 77 per cent and married respondents are 23 per cent. The respondents once asked about their educational background 50 per cent have completed their post graduation, 23 per cent of them have completed their graduation and 26.8 per cent of them are other qualification. The employee tenure of the respondents are classifies three category i.e., less than 1 years respondents are 22.2 per cent, 1-3 years respondents are 39.6 per cent and 38.2 per cent respondents are more than 3 years.

The finding of the study supports the significance of relationship between employee's personal factors and employee attitude about job for attrition and practiced retention strategies in service conditions.

The organizational goal is to decrease the attrition and increase the retention by applying the best

retention practices. The sources of competitive advantage of attrition have both direct and indirect effect on the organization performance; however the best retention approaches are practice in the organization globally.

Hence, there is an organization employment service conditions and working conditions most considerable retention strategies in the Textile industry but they are rising as significant sources of reducing the attrition and increase the retention to the organization and if correctly framed strategies it would turn out to be the most valuable asset to the organization.

## 9. Further Scope of Study

The generalizations of the findings are inadequate to the Textile industry in south India, Hence the study may be extended to other part of the country and also consist of the role of other variables such as perception of employee working in small and medium enterprises and large enterprises.

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