

Multidisciplinary Action Project Report

On

“AN INVESTIGATION INTO THE HIGH TURNOVER OF EMPLOYEES”

At

Atul Auto Limited

Submitted to:

Shree H.N. Shukla College of Management Studies



Under the Guidance of:

Asst. Pro. Rashmi Parmar

In partial Fulfillment of the Requirement of the degree of

Master of Business Administration (MBA)

Offered by:

Gujarat Technological University, Ahmedabad



Prepared by:

<u>Name</u>	<u>Enrollment No.</u>
Priyanshi Vaghamshi	207590592016
Kishan Gorvadiya	207590592017
Heta Pandya	207590592018
Pooja Mehta	207590592019
Nikhil Joshi	207590592020

MBA (Semester-3)

November 2018

STUDENT'S DECLARATION

We hereby declare that the Multidisciplinary Action Project titled “**AN INVESTIGATION INTO THE HIGH TURNOVER OF EMPLOYEES**” undertaken at **Atul Auto Limited** is a result of our own work and our indebtedness to other work publications, references, if any, have been duly acknowledged. If we are found guilty of copying from any other report or published information and showing as our original work, or extending plagiarism limit, we understand that we shall be liable and punishable by the university, which may include being declared “Fail” in MAP examination or any other punishment which university may decide.

<u>Name</u>	<u>Enrollment No.</u>	<u>Signature</u>
Priyanshi Vaghamshi	207590592016	
Kishan Gorvadiya	207590592017	
Heta Pandya	207590592018	
Pooja Mehta	207590592019	
Nikhil Joshi	207590592020	

Company Certificate



Ref No.HR/Training/Jan/2022

Date: 10/01/2022

To whomsoever it may concern

This is to certify that below mention students of **Shree H.N. Shukla College of Management – Rajkot**. Have successfully completed the multidisciplinary action project titled, “**An investigation into the High Turnover of Employees**” from 25/11/2021 to 10/01/2022 in our organization as a part of their study.

Ms. Priyanshi vaghamshi	(207590592016)
Mr. Kishan Gorvadiya	(207590592017)
Ms. Heta Pandya	(207590592018)
Ms. Pooja Mehta	(207590592019)
Mr. Nikhil Joshi	(207590592020)

We wish all the success for future studies.

For Atul Auto Limited

A handwritten signature in blue ink, appearing to read 'Jaydeep'.

Jaydeep Deshani

(Assistant manager- HR & Admin)



Factory & Regd. Office: - ATUL AUTO LIMITED. 8-B, NATIONAL HIGHWAY, NEAR MICROWAVE TOWER
SHAPAR (VERAVAL) DIST. RAJKOT – 360024(INDIA) PHONE: +91-2827-235500 FAX: +91-2827-666029
E-Mail:- info@atulauto.co.in Web Site: - www.atulauto.co.in CIN: L54100GJ1986PLC016999

Institute Certificate

Plagiarism Report

Plagiarism Receipt

Acknowledgement

The success of any person, company or any project is the result of thousands of efforts and guidance, the guidance which every person need in their daily life, the guidance through which life is sustained and blossomed. Here I need guidance too, for starting my research project, improving the project and completing the project.

There is a teacher behind every great success and for mine such valuable work, I would like to dedicate my project to Asst. Prof. Rashmi Parmar who is the guider of our research project.

Secondly, I would like to thank Shree H. N. Shukla College of Management studies College for providing me guidance about project and Gujarat University for considering importance of such valuable project which is helpful in my skill development and providing me a chance to get represent my inner ability that how efficiently I can prepare any product.

Last I would like to thank Atul Auto Limited for providing such environment for research.

It is the era of internet and today's generation is totally dependent on internet. From the beginning of day to end of the day they need internet and for me also, I need information from internet to complete and get shined effect to my project I've used internet contents for preparing my project for guidance only.

Executive Summary

“Experience is the best teacher”. This saying has played a said the industry visit as a part of the curriculum of the MBA programme of GTU. This visit & consequent report on the student took practically visit the industry & study real Business area.

This practical training of the MBA programme develops the feeling of awareness among the students of management studies. Along with theoretical knowledge this training has imparted the complete education of practical world, which is the value addition in our course.

To fulfill these objectives an industrial visit & project report have becomes an important part of the MBA programme. This is to have a practical out look of the managerial aspect & witnesses of the function of management in real business.

I have tried my best to meet the requirement by producing report that is highly illustrative and clearly explaining concepts that I have learnt during the training period. I have also paid enough attention to revising and refining the discussion of major concepts like Employee Turnover and other HR Activities. This project really has enhanced my practical knowledge of the different management areas, which will be very much fruitful for me in future.

During my internship I gained practical knowledge on how the human resource division of an organization operates and coordinates its activities to ensure smooth functioning of organization at all levels by ensuring right numbers of people are available at right time to do the right job. Not only that I have also gained insight into the working culture of the organization and observed how Atul Auto Limited handles its employees with value and empowerment to ensure they are motivated to give their best to the organization.

Table of Content

<u>Sr. No.</u>	<u>Particulars</u>	<u>Page No.</u>
1	Industry overview	1
2	Company overview	5
3	Literature review	10
4	Diagnosis Phase	13
-4.1	Problem identification	14
-4.2	Significance of problem	16
-4.3	Research objectives	17
-4.4	Project schedules	18
5	Design and Analysis phase	19
-5.1	Research methodology	20
-5.2	Research design	21
-5.3	Sampling design	23
-5.4	Limitations of the project	24
-5.5	Data analysis and findings	25
6	Implementation phase	37
-6.1	Identifying alternative courses of action	38
-6.2	Determining the solution to be proposed	39
-6.3	Methodology adopted for solution implementation	41
-6.4	Project outputs / Key deliverables	43
-6.5	Tangible and Intangible benefits delivered to the organization	44
-6.6	Future recommendations	45
7	Annexure	46
8	Bibliography	50

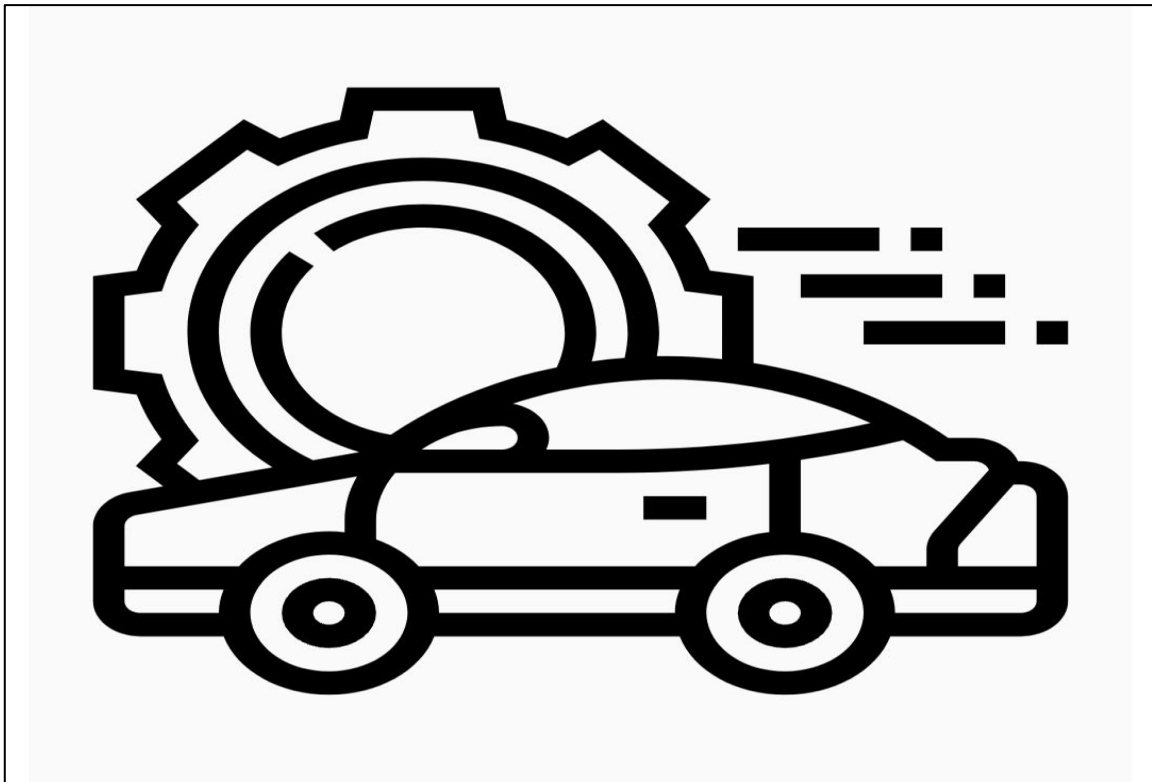
List of Tables

<u>Sr. No.</u>	<u>Particulars</u>	<u>Page No.</u>
1	Company Profile	7
2	Sampling Design	23

List of Charts

<u>Sr. No.</u>	<u>Particulars</u>	<u>Page No.</u>
1	Gender analysis	25
2	Employees duration of working with the company	26
3	Employees opinion on working environment	27
4	Employees likeliness to stay at this organization if they receive 10% salary increase from another company	28
5	Employees likeliness to refer someone to work at atul auto	29
6	Probable reasons for leaving organization	30
7	Measures employed to manage turnover	31
8	Relationship between bureaucratic working environment, inequity in pays with turnover	32
9	Satisfaction level of employees regarding the welfare measures	33

1-Industry Overview



An Overview of Indian Automobile Industry

- The Indian Automobile Industry manufactures over 11 million vehicles and exports about 1.5 million each year.
- The dominant products of the industry are two-wheelers with a market share of over 75% and passenger cars with a market share of about 16%.
- Commercial vehicles and three-wheelers share about 9% of the market between them. About 91% of the vehicles sold are used by households and only about 9% for commercial purposes.
- The industry has a turnover of more than USD \$35 billion and provides direct and indirect employment to over 13 million people.
- The supply chain is similar to the supply chain of the automotive industry in Europe and America.
- The key to success in the industry is to improve labor productivity, labor flexibility, and capital efficiency. Having quality manpower, infrastructure improvements, and raw material availability also play a major role. Access to latest and most efficient technology and techniques will bring competitive advantage to the major players.
 - The role of Industry is and will primarily be in designing and manufacturing products of world-class quality establishing cost competitiveness and improving productivity in labor and in capital. With a combined effort, the Indian Automotive industry will emerge as the destination of choice in the world for design and manufacturing of automobiles.
 - The Indian market offers endless possibilities for investors.



Major Players

- Fiat India Pvt. Ltd.
- Ford India Pvt. Ltd.
- General Motors India Pvt. Ltd.
- Hindustan Motors Ltd.
- Honda Siel Cars India Ltd.
- Hyundai Motors India Ltd.
- Maruti Udhyog Ltd.
- Skoda Auto India Pvt. Ltd.
- Tata Motors Ltd.
- Toyota Kirloskar Motor Pvt. Ltd.
- Force Motors Ltd.
- Mahindra & Mahindra Ltd.
- Ashok Leyland Ltd.
- Volvo India Pvt Ltd.
- Atul Auto Ltd.
- Bajaj Auto Ltd.
- Piaggio Vehicle Pvt. Ltd.
- TVS Motor Co. Ltd.
- Royal Enfield Ltd.
- Suzuki Motor Cycle India Pvt. Ltd.
- Yamaha Motor India Pvt. Ltd



- **FUTURE EXPECTED GROWTH**

- The government spending on infrastructure in roads and airports and higher GDP growth in the future will benefit the auto sector in general. We expect a slew of launches in the Segment 'B' and Segment 'C' of passenger cars. Utility vehicle segment is expected to grow at around 8% to 9% in the long-term.
- In the 2-wheeler segment, motorcycles are expected to witness a flurry of new model launches. Though the market size is expected to grow by 10% to 12%, competitive pressure could keep prices and margins under control. TVS, Honda and Hero Motocorp are poised to benefit from higher demand for ungeared scooters in the urban and rural markets. **FUTURE EXPECTED GROWTH:**
- Riding the wave of structural changes taking place in the country, the tractor industry registered good growth in FY10 as well as FY11. His strong performance continued in FY11 as well as volumes grew by 20%. While good monsoon is a positive for the sector, given the fact that non-farm incomes have continued to climb up, volumes should still hold up pretty well despite a year or two of poor monsoons. The longer-term picture is impressive in light of poor mechanization levels in the country's farm sector and the thrust of the government on improving rural infrastructure.
- With an estimated 40% of CVs plying on the roads being 10 years old, demand for HCVs is expected to grow by 7% to 8% over the long term. While the industry is going through cyclical hiccups currently, we expect this factor to weaken in the future on account of strong structural tailwinds. The privatization of select state transport undertakings bodes well for the bus segment.

2-Company Overview



Company Overview

- Atul's journey began in the 1970s, when the automobile industry was still in its initial stages, growing slowly. Atul's founder, Mr Jagjivanbhai Chandra, had envisioned a company that developed a convenient and affordable automobile that could traverse the rural, uneven roads of Saurashtra (Gujarat). He turned his vision into action when he developed the first three-wheeler automobile based on the design of a motorcycle, and adapted engines from a golf cart, giving rise to the first 'Chakkada'. Mr. Jagjivanbhai Chandra then started this company that we now know as Atul Auto.
- Atul auto was incorporated (became a corporation by law) in 1986. Thereafter, in the year 1992, it began its production.
- The company began by producing 'Chakkada'. It also started improving upon the existing technology, constantly updating it to meet the norms and competition around it. Mr. Jayantibhai Chandra took over the company from his father and furthered his mission of providing a convenient transport to Indians by developing a Diesel 'Chakkada'.
- Soon, Atul started manufacturing new varieties. It manufactured Shakti – a convenient rickshaw, and many other vehicles under its brand name such as Commercial 3-wheelers, half ton vehicles (carrying capacity) and more.
- Currently, Atul is leading manufacturers of three wheeler transport in Gujarat. It has managed to increase its production growth by two folds in the last five years. It achieved a turnover of 528.01 crore for the financial year 2014-2015.



- **Profile**

Industry	Automotive
Traded as	BSE: 531795
Headquarters	Rajkot, India
Products	Three-wheeler vehicles, Tuktuk
Type	Public
Services	Automotive finance Vehicle service
Website	https://atulauto.co.in

Management at Atul Auto Limited

The Board of Directors

- Mr. Jayantibhai J Chandra – Chairman & Managing Director
- Mr. Mahendra J Patel – Wholetime Director & CFO
- Mr. Niraj J Chandra – Wholetime Director
- Mr. Vijay K Kedia – Director
- Advocate Hakubhai J Lalakiya – Independent Director
- Mr. Hemantkumar J Bhatt – Independent Director
- Mr. Hasmukhbhai H Adhvaryoo – Independent Director
- Dr. Margie S. Parikh – Independent Director

ATUL Team

- Mr. Jitendra V Adhia – President Finance
- Mr. Paul Zachariah – President Marketing
- CS Paras J Viramgama – Company Secretary & Compliance Officer



Mission & Vision Statement

Mission Statement:

To devote ourselves to cater to the common man's transportation needs by introducing environment-friendly vehicles which are empowered by latest technological advances.

Vision:

To contribute in eradication of poverty by making the common people self-dependent with our state of the art technology, products and s

3-Literature Review

- Researchers have comprehensively studied on employee turnover attitudes. They give their efforts to develop and understanding of employee attitudes. Employee leaves organization with specific reason. In an attempt to clarify the relationships among various attitudinal antecedents of turnover, Tett and Meyer (1993) they perform meta-analysis on 178 samples from 138 studies. They work on the relationships between job satisfaction, turnover intention, organizational commitment and actual turnover (Tett and Meyer, 1993). In their research they state that organizational commitment and employee job satisfaction both objects are perform independently in employee turnover. In this both object employee job satisfaction is more effective then organizational commitment. Means as per Tett and Meyer research employees job satisfaction is a major part in their job.
- Lee, Holtom, Mc Daniel, Hill and Mitchell (1999), also done a research on this topic. They strongly argue that only attitudinal findings are not sufficient to explain this issue. They do a more then 17 years research on this topic and suggests that many employee left current organization without any specific reason. Hom, Caranikas-Walker, Prussi and Griffeth (1992) start a meta-analysis on employee turnover. As per them opinion only employee job satisfaction is not important but sometimes external economic issues or employment rate are also play important role in employee turnover. Generally as per current theory employee low job satisfaction is a major reason for leave organization. But as per Lee et al (1999) there are new theories are needed to explain the different situation and reason. Some need to find out possible reason for which & why people leave the organizations.
- The psychological viewpoint and goal is showing different object such as job dissatisfaction, employee demography and organization not full fill their commitment are the main issue in employee turnover (e.g. Discenza & Gardner, 1992; Joseph & Ang, 2003). This research show important and insight reason for why IT employee leave their job and change organization frequently. Recent organizational behaviour and psychological result show that actual reason behind employees turnover are salary package levels, Promotion, mobility, and skill demands and jobs availability (Hom & Kinicki, 2001; Trevor, 2001).Psychological research's show that employee turnover is individual factors. It is show that employee leave their job due to job dissatisfaction or employee work place or organizational commitment. This research has shown why IT employees leave their current organization.

- Jing and Klein (1999), they reported that In fortune 500 firms IT employees job turnover ratio is 25 To 35%. Moreover, Human resource management have a facing a key issue of IT employee job change ratio (e.g. Niederman, Brancheau and Wetherbe, 1991). This research is same focus on attitudes leading to purpose to employee turnover finding as reported by Tett and Meyer (1993).The study of "IT Retention: The social context of turnover among information technology professional Lee (2002)". This study was focus on social support from employee's colleagues and company's management. If they give a support each other than company minimize employee turnover. That means social supports are also play a important role in employee turnover. If employee got this support then they neglect other object like job satisfaction, wedges or organization commitment.
- William H. Price & Richard Kiekbusch & John Theis in his study on causes of employee's turnover have talked about the causes and the implementation. Further he highlighted that providing a challenging job, and offering realistic promotion opportunities. Other variables that have less impact are schedule input, insurance and family income. Good communication and job satisfaction. Beri G.C., Human Resource Tata McGraw New Delhi, in his study on the cause of factor influencing turnover and retention of staff and retention problems for professional have talked about the Working hours, workload and work schedules which are also common concerns to both groups. In addition, career development, promotion and 4appreciation of contribution were important retention factors, while a supportive professional environment, reduction in workload and working hours and more flexible work patterns were important to consultants.
- Cari McLean, Labour Management in Agriculture, in her study knowing the reason why workers leave or edge in improving working condition and have talked about dissatisfaction with work or working condition, select and train new personnel, conducting workers satisfaction survey, find specific problem area to watch and improve Cosenza, Robert M.in his study on the causes of the cost of employees turnover due solely to unfairness in the workplace and have talked about the effect of unfairness upon an employee's decision to leave their employer and the financial to employer due to voluntary turnover. Further he highlighted Recruiting and retaining the best and the brightest remove the barriers and biases which create unfair workplace.

- Moore, in her study on the cause of an informative report regarding employees turnover and Retention on the causes of high employee turnover which affect the most, and the companies can Decrease employee's turnover in order to cut the hidden cost. Further she highlighted the poor management, low pay, boring repetitive work, with no opportunity for advancement, high turnover of employees is a symptom of a mismanaged company.

4-Diagnosis Phase



4.1-Problem Identification

- Employee turnover can be harmful to a company's efficiency if skilled workers often leave the organization and the work population contains a high percentage of novice workers (Armstrong, 2009). According to a research study carried out by the Ministry of Energy in conjunction with the United Nation Development Program (Maxwell, 2010), statistics revealed that for the last 2 years, more than 35% of employees working for private sector organizations exited to other companies. The efficiency of many organizations has thus been threatened by huge costs/expenditure incurred on recruitment and selection of new staff to replace the work force gap created by the leaving employees (Premeaux, 2000).
- In the recent past, there has been noticeable decline in the efficiency of many organizations in especially from the private sectors (Ali, 2010). According to Fredrick (2010), the contribution of private sector Organizations towards the growth and development of Kenyan economy has declined compared to the previous decade where private sector had a strong positive effect on Kenyans economy. This downward trend according to (Edward, 2010) has been influenced by high level of employee turnover that impacts negatively on organization efficiency.
- According to Maxwell (2010), a key problem to employees' turnover is that the organization loses the most experienced and skilled staff that the organization had invested heavily in training on various organization job task functions. This therefore means that, the organization must incur huge costs in terms of time and finance to train the newly recruited staff in order to make them effectively adapt to organization working environment and demonstrate the required skills and experience.

- According to Phillip (2009) employees turnover influences allocation of the job tasks functions to inexperienced employees who lacks technical knowhow on effective execution of organization services, this greatly degrades the quality of organization services and as result, low level of customer satisfaction is realized.
- According to Paul (2009), as result of increased level of employees' turnover rates, many organizations have turned on application of various employees' retentions strategies such as employees' benefits, increased remuneration and offering of various employees rewards. This however has led to increased organization expenditure and realization of a declined profit margin (Duncan, 2008).
- For the last 3 years, Atul Auto Limited has experienced an increased rate of employees' turnover and this had a negative impact on organizational efficiency. In the year 2018 alone, the employees' turnover was 25% and the organizational efficiency dropped with 6%. Previous studies undertaken by Ali (2010), Fredrick (2010), Edward, (2010), Premeaux, (2000), Paul (2009), Duncan (2008), Maxwell (2010) and Phillip (2009) only highlighted evidence on the existence of employee turnover problems but did not offer any practical solution on how organizations should manage turnover to realize increased organizational efficiency. This has hence created a major knowledge gap on employee turnover management hence this study aims to fill the missing gap by determining the impacts of employee turnover on organization efficiency with a specific reference to Atul Auto Limited.
- The findings obtained influenced towards coming up with effective recommendations on how organizations should minimize employees' turnover rates and realize increased efficiency.

4.2-Significance of Problem

- Employee's turnover not only reduces the productivity of employees and organization, it may put the existence of the organization in a danger situation. Therefore, it has to be solved as quickly as possible. For this reason has to be identified.
- The problem to be addressed is to assess the High Employee Turnover followed by Atul Auto Limited, to solve the turnover of the employees. There are various factors that motivate the employees to work for an organization and make them retain in the organization for a longer period of time.
- The project is mainly undertaken to understand the factors influencing the high employee turnover.

4.3-Research Objectives

This study will focus on two main research objectives. These will satisfactorily provide vital and conclusive information to paint a clear picture of the employee turnover and retention rates in the Atul Auto Limited.

❖ Primary Objectives

- To identify some of the effective methods of retention that can be adopted by companies in the Atul Auto Limited to significantly reduce their employee turnover rates.

❖ Secondary Objectives

- To unveil the various factors that contributes towards the high employee turnover rates.
- To study the various factors that generally affects the employee retention rates.

4.4-Project Schedule

Sr. No.	Particulars
1	Identify best company and visit the same (Atul Auto Limited)
2	Meeting with manager and getting approval for project
3	Visiting the company
4	Identify all the department of the company
5	Getting all the basic information about the company
6	Meeting with all the head of the departments and get to know about the Same.
7	Identify the various problems currently recurring in the organization
8	Select one problem for the project and informed the manager
9	As we adopted the problem of labor turnover, identifying working environment
10	Getting information related to employee
11	We decide to go with the primary data collection method
12	Prepare related questionnaire and give it to the owner for approval
13	There are 70 something labor so it's obviously timely process for individual meet and fill the whole questionnaire
14	Filling the questionnaire
15	Filling the questionnaire
16	Filling the questionnaire
17	Filling the questionnaire
18	Filling the questionnaire
19	After getting all the data from labor we move further for data analysis.
20	Again arrange the meeting with the owner for give him the result of collection of data
21	Determining the solution for the problem
22	Identify the alternative course of action for the problem
23	Implementation of solution
24	Suggest future recommendation
25	Submit the hard copy of the project in company
26	Get final certificate
27	Determining the solution for the problem
28	Identify the alternative course of action for the problem
29	Implementation of solution
30	Suggest future recommendation
31	Submit the hard copy of the project in company
32	Get final certificate

5-Design and Analysis Phase



5.1 Research Methodology

- Research is a process in which the researcher wishes to find out the end result for a given problem and thus the solution helps in future course of action. The research has been defined as “A careful investigation or enquiry especially through search for new fact in any branch of knowledge. “
- The procedure using, which researchers go about their work of describing, explaining and predicting phenomena, is called Methodology. Methods comprise the procedures used for generating, collecting, and evaluating data. Methods are the ways of obtaining information useful for assessing explanation.
- The type of research used in this project is descriptive in nature. Descriptive research is essentially a fact finding related largely to the present, abstracting generations by cross sectional study of the current situation.

5.2 Research Design

- Research design is the specification of the method and procedures for acquiring the information needed to solve the problem.
- The research design followed for this research study is descriptive research design where we find a solution to an existing problem. The problem of this study is:

“AN INVESTIGATION INTO THE HIGH TURNOVER OF EMPLOYEES.”

➤ Sources of Data:

The two sources of data collection are namely primary and secondary.

1-Primary Data

- Primary data are fresh data collected through survey from the employees using questionnaire.

2-Secondary Data

- Secondary data are collected from books and internet.

➤ Data collection method

1-Questionnaire

- A questionnaire is a research instrument consisting of a series of questions and other prompts for the purpose of gathering information from respondents.

2-Interview

- An interview is a conversation where questions are asked and answers are given. It is a direct way of collecting information.

3-Observation

Research Variables

A concept which can take different quantitative values is called variables. It is classified into independent and dependent variables. This research was studied keeping the dependent variable as grievance handling system .Then independent variable were analyzed based on the factors influencing grievances

1. Dependent variables

- Dependent variable is one which is affected by changes in the independent variables. Here the dependent variable is ,
 - ✓ Employee Turnover

2. Independent variables

- Independent variables are not affected by changes and its changes causes variation in some other variables. And it is not dependent on any variables.
 - ✓ Salary
 - ✓ Allowances
 - ✓ Work load
 - ✓ Working hours
 - ✓ Job stress
 - ✓ Working environment
 - ✓ Employee – employer relationship
 - ✓ Leave applications
 - ✓ Working shift
 - ✓ Supervision
 - ✓ Sanitation facilities
 - ✓ Discipline

5.3-Sampling Design

Sample Element	Employees at Atul Auto Limited
Sample Size	100
Sample Method	Percentage
Sample Media	Questionnaire
Sampling Method	Simple Random Sampling

5.4-Limitations of the Project

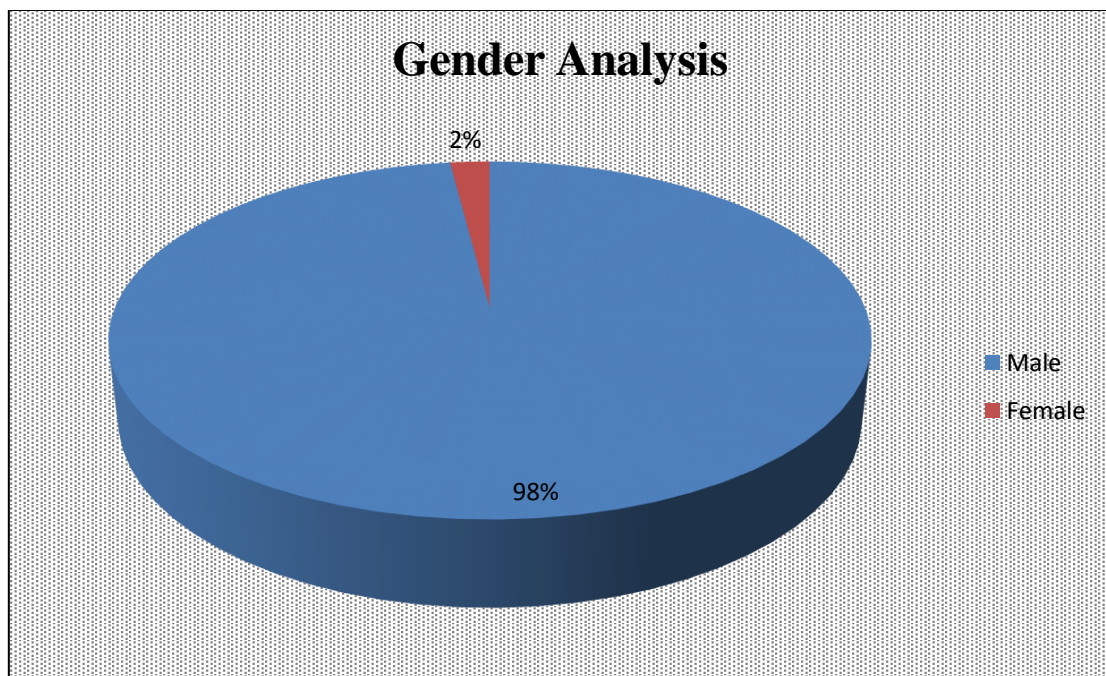
As every coin has two sides, there are certain limitations of this study which are as follows.

- The study was limited to the policies and practices being followed at Atul Auto Limited.
- Due to shortage of time only important information is collected.
- Some of the record and information cannot be shared and it is not available because of the confidentiality. It is a big limitation.
- The accuracy depends on respondent's information.

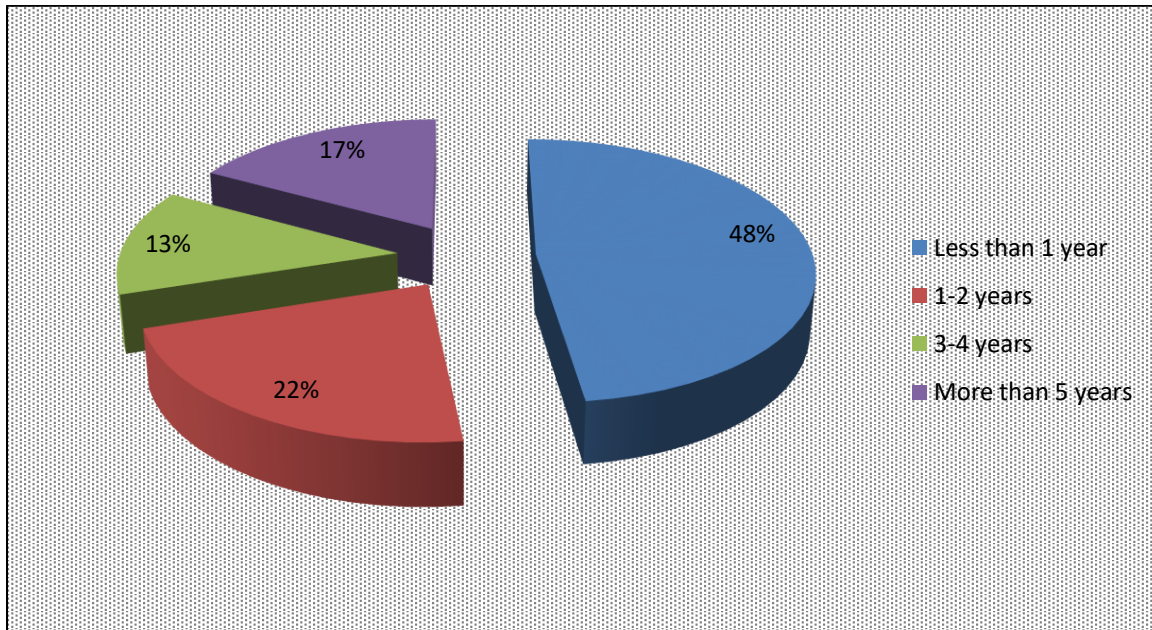
5.5-Data Analysis and Findings

General Information

➤ **Figure 1 – Gender Analysis**



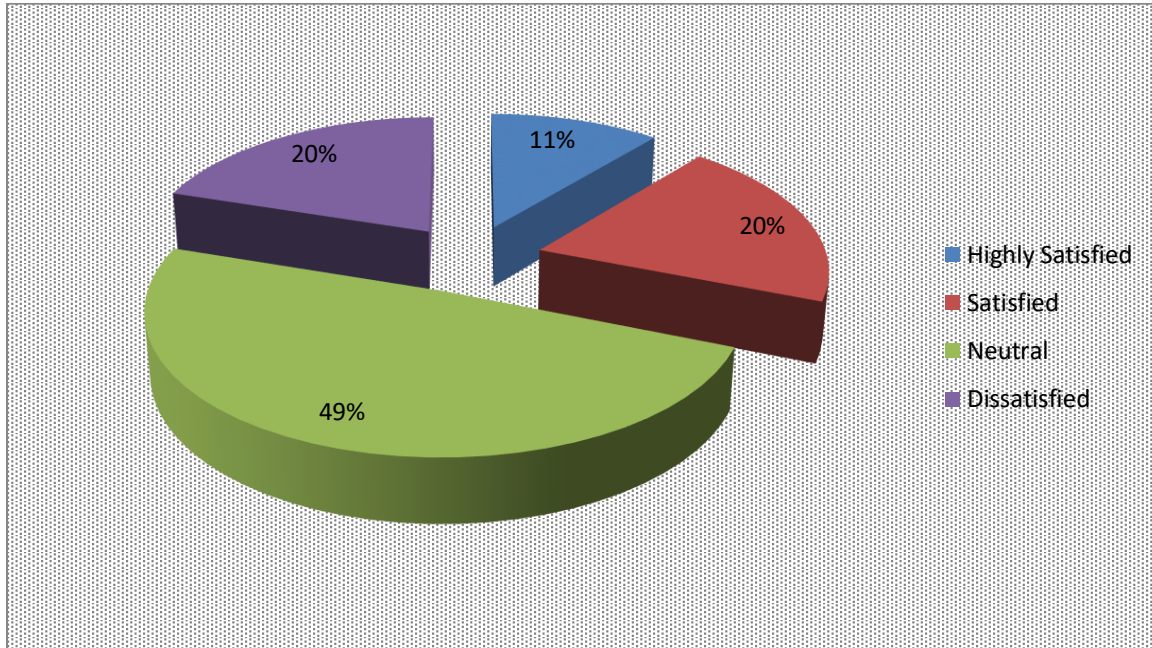
Q. How long have you been working with these organizations?



❖ **Analysis**

- As per the above diagram, majority of employees (48%) have joined and worked in organization from less than one year.

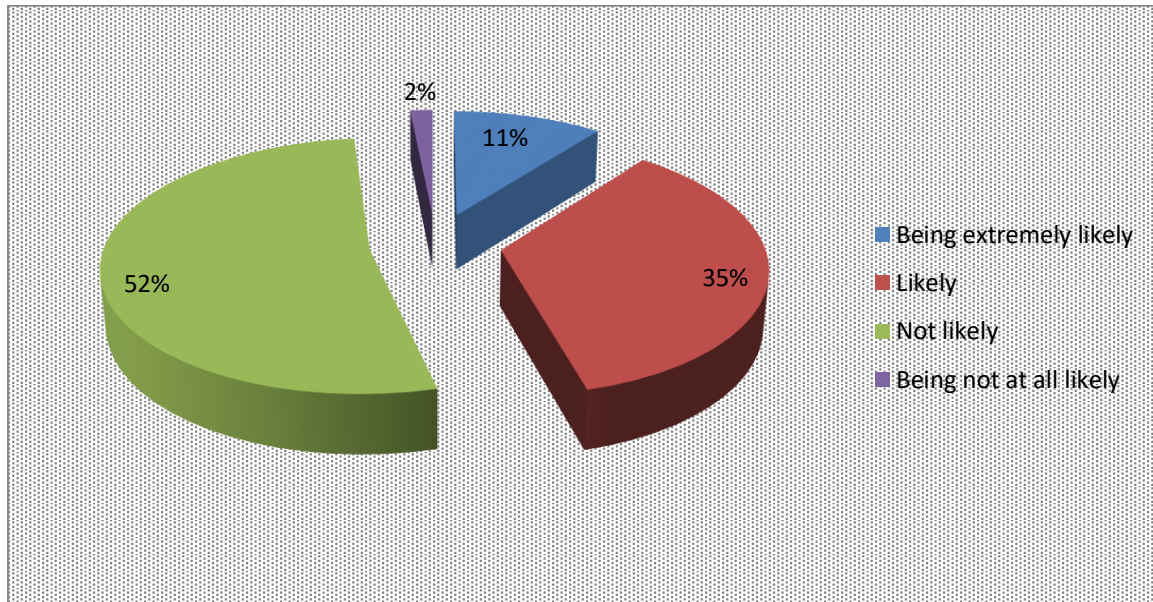
Q. What is your opinion on working environment?



❖ **Analysis**

- As per the above diagram, 49% of the employees voted their working environment as neutral, the rest 20% as satisfied, dissatisfied are 20% and only 11% of employees are highly satisfied.

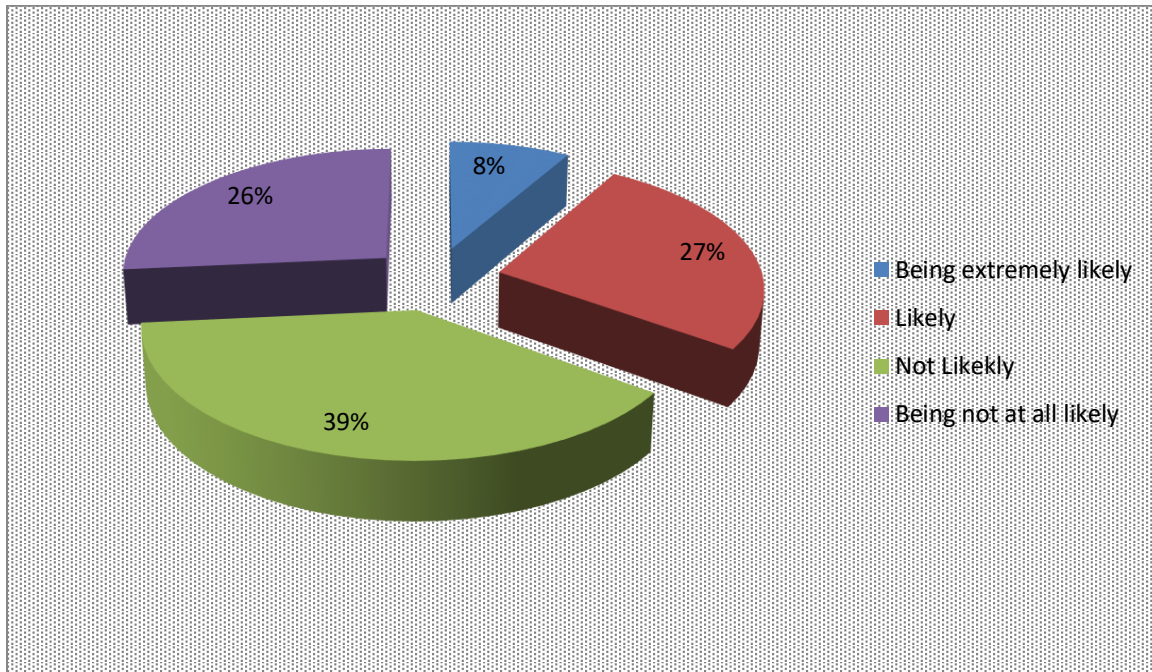
Q. How likely you are to stay at this organization if you were to receive a 10% salary increase from another organization?



❖ **Analysis**

- As per the above diagram, more than 50% of the employees will leave the organization if they would get 10% more salary from the other organization leaving the current profile.

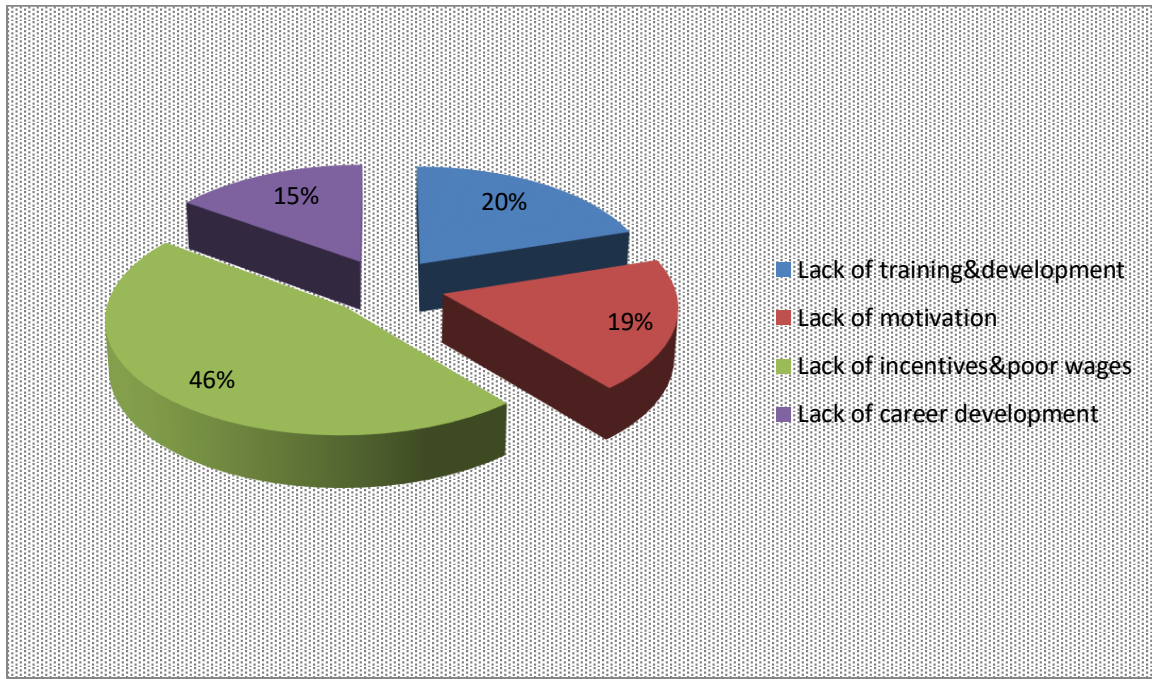
Q. How likely would you be to refer someone to work here?



❖ **Analysis**

- As per the above diagram, about 40% of employees are not likely to refer others to work in the same organization they are currently working.

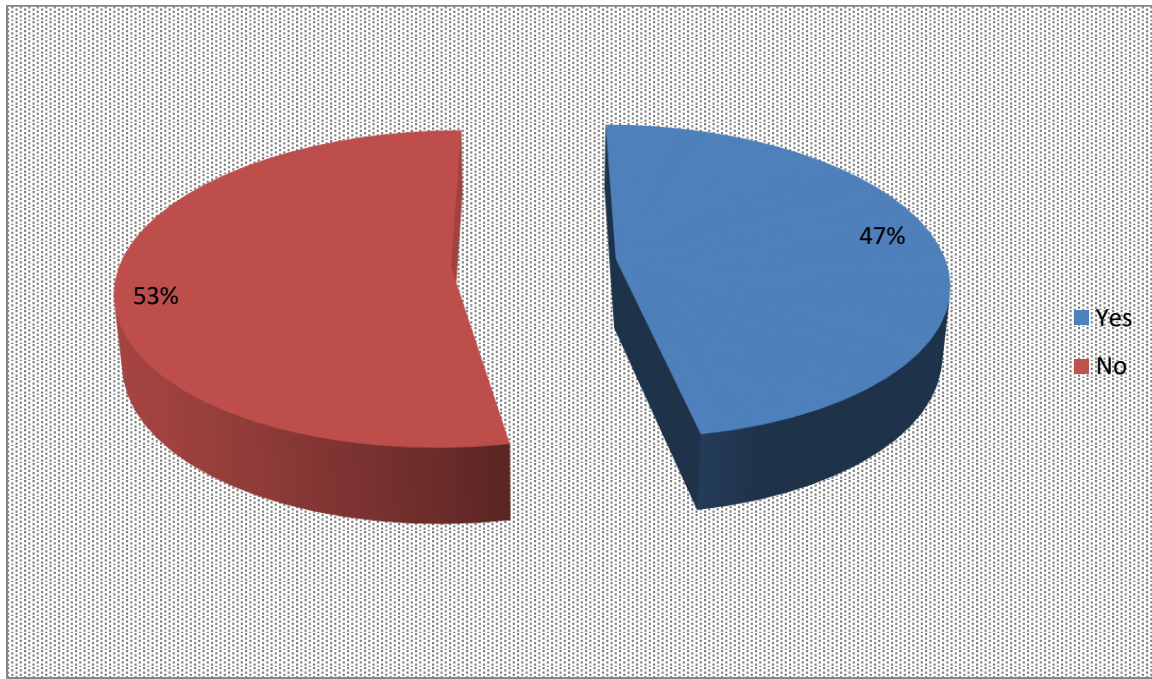
Q. If you were to leave organization today, what could be your probable reasons from the following?



❖ **Analysis**

- As per the above diagram, 46% of employee may leave the organization because of poor incentives and wages, the rest 20% because of lack in training & development, lack of motivation has been felt by 19% of employees and other 15% may leave because of lack in career development.

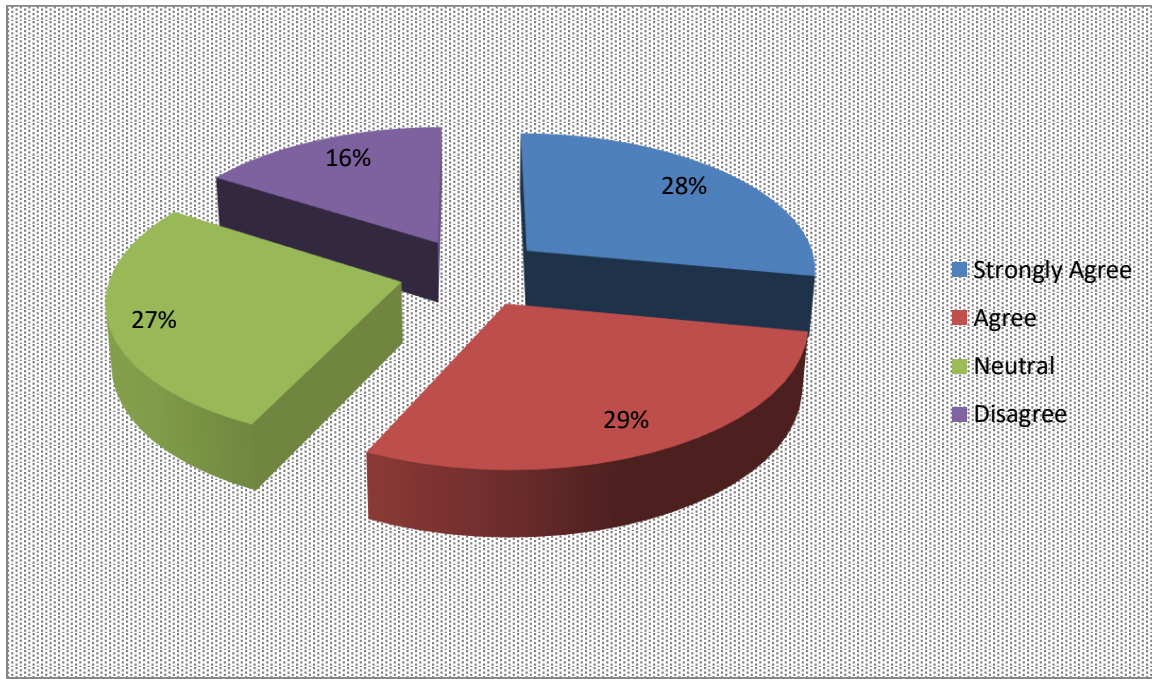
Q. Are there measures employed by the organization to manage employee turnover?



❖ **Analysis**

- As per the above diagram, more than 50% of employees believed that there are no measures are employed to manage and control the employee turnover in the organization.

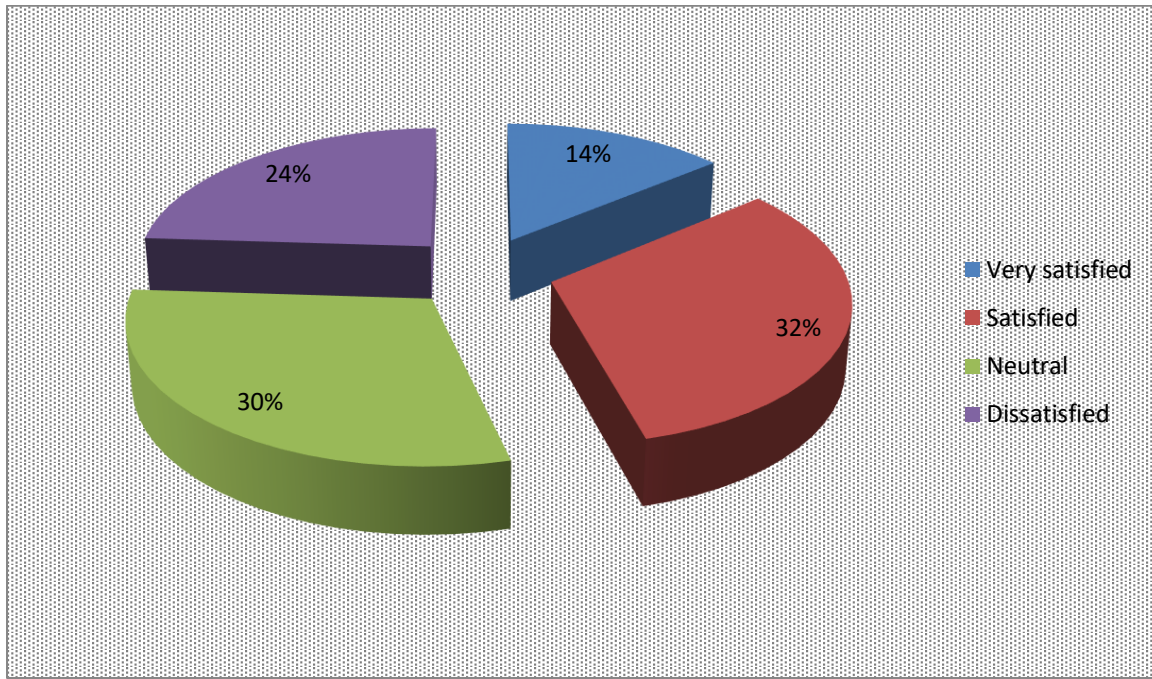
Q. There is some relationship between bureaucratic working environment, inequity in pays & employee turnover?



❖ **Analysis**

- As per the above diagram, 29% of employees are agreed with this relationship, the rest 27% voted as neutral, 16% are disagreed with the same and 28% strongly agree with this relationship.

Q. Express your level of satisfaction regarding the welfare measures provided by the company.



❖ **Analysis**

- As per the above diagram, majority of the employees are not happy with the welfare measures provided by the company.

Hypothesis Testing

❖ Chi-Square Test

- A chi-square test is a statistical test used to compare observed results with expected results.
- The purpose of this test is to determine if a difference between observed data and expected data is due to chance, or if it is due to relationship between the variables you are studying.

Statement-1

- **Ho:** There is some relationship between bureaucratic working environment, inequity in pays with employee turnover.
- **Ha:** There is no relationship between bureaucratic working environment, inequity in pays with employee turnover.

Strongly Agree	28
Agree	29
Neutral	27
Disagree	16

Observed value	Expected Value	(O-E)	(O-E) ²	(O-E) ² /E
28	25	3	9	0.36
29	25	4	16	0.64
27	25	2	4	0.16
16	25	-9	81	3.24
Total				4.4

$$=4.4$$

Degree of freedom = No. of groups-1

$$=4-1$$

$$=3$$

At 5% level of significance, tabulated value = 7.81

Calculated value is lesser than tabulated value, hence null hypothesis is accepted.

Statement-2

- **Ho:** Employees are satisfied regarding the welfare measures provided to them by the company.
- **Ha:** Employees are not satisfied regarding the welfare measures provided to them by the company.

Strongly Agree	14
Agree	32
Neutral	30
Disagree	24

Observed value	Expected Value	(O-E)	(O-E) ²	(O-E) ² /E
14	25	-11	121	4.84
32	25	7	49	1.96
30	25	5	25	1
24	25	-1	1	0.04
Total				7.84

$$=7.84$$

Degree of freedom = No. of groups-1

$$=4-1$$

$$=3$$

At 5% level of significance, tabulated value = 7.81

Calculated value is greater than tabulated value, hence null hypothesis is rejected

6-Implementation Phase



6.1-Identifying alternative course of action

- ✓ Hire the right people
- ✓ Fire people who don't fit
- ✓ Keep compensation and benefits correct
- ✓ Encourage generosity and gratitude
- ✓ Recognize and Reward Employees
- ✓ Pay attention to engagement
- ✓ Prioritize employee happiness
- ✓ Make opportunities for development and growth
- ✓ Clean up Performance reviews
- ✓ Provide an inclusive vision
- ✓ Demonstrate and cultivate respect
- ✓ Encourage Employees
- ✓ Hire more people instead of overworking your existing staff
- ✓ Company culture is crucial and should be well followed
- ✓ Offer Flexibility

6.2-Determining the solution to be proposed

✓ Hire the right resources

- Hiring a resource should never be a spur of the moment decision. It requires meticulous planning and preparation to ensure the right fit for successful project implementation.
- An efficient capacity planning solution identifies the skill gap and helps employers recruit the right talent ahead of time. It provides foresight into the capacity and demand gap and enables you to take the right measures to mitigate shortages or excesses of resources.
- Managers can stay forewarned and proactively implement the resourcing treatments such as training, hiring, adjusting timelines, actively marketing excess capacity etc. to bridge this gap.
- It eliminates last minute hiring costs and maintains a quality resource pool to avoid future project bottlenecks.

✓ Allocate the right resource to the right job

- If managers allocate a task to a resource that does not align with his/her skill set, it will disengage them and reduce their productivity. If the resources are under qualified, then they can feel frustrated, burnout and delay delivery. If the resources are overqualified, they might lose interest and feel their potential is not getting realized. In either case, chances of turnover are high.
- Allocating the right resource to the right job is therefore important to ensure both employee and client satisfaction.
- To ensure successful resource allocation across the enterprise, managers need to implement an intuitive resource scheduling tool.
- It provides a unified view of their workforce's skills and schedules and allows you to book on suitable projects. When your employees feel their competencies are deployed in the right place, they will feel motivated and continue with your organization.

✓ **Optimize workforce utilization**

- Overutilization can put employees under immense pressure and can contribute to employee attrition. At the same time, underutilization can lead to disengagement and low morale. Thus, optimizing employees' utilization is critical to leverage their skills at maximum potential and retain them.
- Managers need to keep in mind that effective utilization is not just about working too many hours. Productivity must go hand in hand with utilization. They must therefore ascertain that employees' maximum time is booked for strategic work.
- Employers can make adequate use of dashboards to measure and get a comprehensive view of employee utilization levels.

✓ **Minimize bench time**

- Once a project gets over and if resources are not scheduled for another project, they will spend bench-time until they are allocated a new project. Extended bench time leads to significant issues such as lesser ROI as the resources are not generating any revenue for the organization.
- It can lead to planned attrition which affects firm's reputation as well as unplanned attrition when employees begin to look for other job opportunities for growth and development.
- For effective bench-management and to reduce unplanned attrition, managers can employ an effective resource management tool which will predict resources that will end up on the bench in advance.

✓ **Organize effective team-building activities**

- Facilitating strong bonds amongst colleagues is proven to improve the efficacy of employees and enhance employee engagement.
- Companies that provide a high emphasis on employee retention must highly value interpersonal relationships. This is because coherent teams result in enhanced communication, lower stress levels, and greater output.

6.3-Methodology adopted for solution implementation

1. The Interview is Where it All Begins!

- Almost all human resource experts agree to the fact that the best way to reduce employee turnover is to hire the right candidate. It begins with the interview. While hiring the right candidate with the right skill set, qualification, and attitude is essential. It is also vital to make sure their personality and style of work fit your company culture. It is crucial to convey to them the expectations of the company at the time of the interview.

2. Carefully Design Your Benefits Package

- Make sure that the benefits package that employer offer is competitive. Employees today are very picky when it comes to the work environment. They are looking for flexible work-life balance, work from home options, stock options, and much more. Workforce these days do not compromise on pay scale and benefits. Organizations must provide competitive salaries.

3. Encourage Employee Engagement

- Always make sure your employees feel safe while working for your organization. The workforce today feels happy and committed when they get involved in working for a specific goal. Involve your employees in all the management decisions; their input is just as critical. The organization should always be open to having a dialogue with all the employees. It helps in developing a company culture where employees are engaged, and they feel their voice valued.

4. Have your Performance Management System Up and Running

- A performance management system is essential to review an employee's performance and give him/her the deserving credit. It gives employees a reason to stay more focused as they know that their hard work will pay off. Companies that encourage employee ambitions tend to have creative and innovative individuals. Recognition is one of the best strategies to reduce employee turnover, increase productivity, and promote happiness at work.

Recognition could be one of these four things:

- Unexpected
- Personal
- Specific
- Frequent

5. Boost Morale

- No employee would like to work in an organization with a dry and dull work culture. It would bore even the most dedicated employee. Every employee, no matter which company or level he works at, deserves some time off work. Companies should encourage a cheerful, lighthearted, and fun atmosphere. It is essential to make employees feel like they are a part of a community by planning events and excursions.

6. Giving Meaningful Feedback Regularly

- Employees who know their strengths and weaknesses tend to demonstrate a stronger commitment and better self-awareness. Giving regular but useful feedback has proven to be effective in reducing churn and keeping employees happy. It is essential to identify successes and opportunities for improvement while providing feedback. Useful feedback is a constructive way to motivate employees and proactively address problems. It enables employees to have a clear understanding of their areas for improvement. It makes them feel less inclined to seek out new positions.

7. Invest in Training

- When employees feel that the organization is investing in furthering their training and education so that they can perform their duties well, it fosters a more significant relationship. When they can be trained in different areas within the organization, they get to know how important they are to the organization. It also provides them with an opportunity to explore other job opportunities within the organization.

6.4-Project outputs / Key deliverables

- By doing some research work during our visits we have analyze various problem which causes high turnover and which are affecting the Atul Auto's production and profit. So by collecting information on employee's records by going through in-depth analysis, we came up with few problems and their outputs when such outputs are followed results can be as follows;

1. Reduced Turnover Hassle
2. Improved Morale
3. Reduced Acquisition and Training Time
4. Dedicated Company Experts
5. Increased Overall Productivity
6. Better Customer Experience
7. Reduced Costs

6.5-Tangible and intangible benefits delivered to the organization

✓ **Tangible Benefits**

- Lower Recruitment cost
- High Productivity
- Reduction in administrative cost
- Reduction in Operational cost
- Improvement in profit
- Product quality

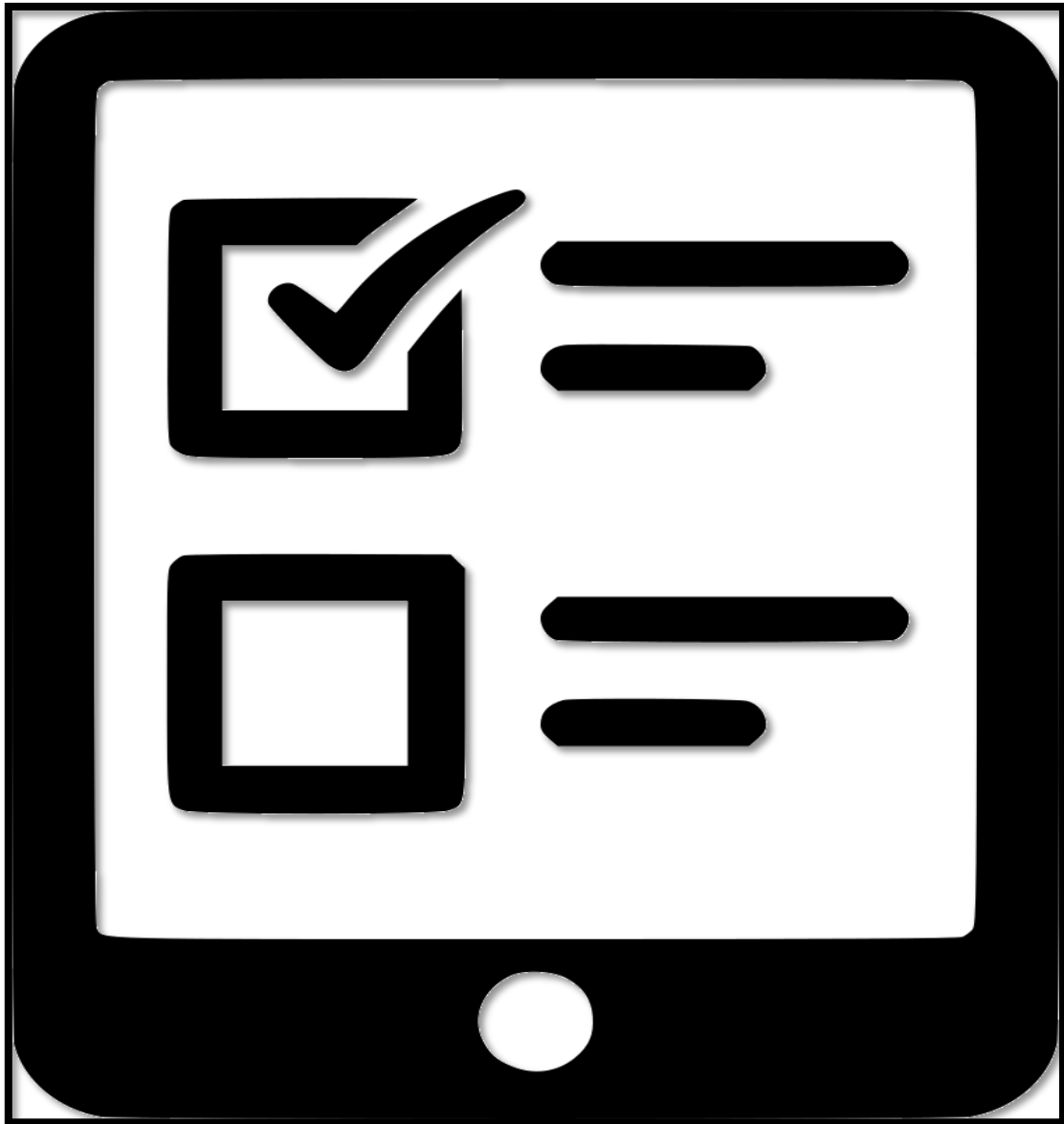
✓ **Intangible Benefits**

- Maintenance of strong collective company knowledge
- Higher employee morale
- Productivity
- Increased organizational flexibility
- Increased job satisfaction
- Faster business expansion
- Better customer service
- Maintains good business image

6.6-Future recommendations

- The organization human resource management should employ strategic strategies such as increased salaries and remuneration, providing recognition, and individual growth opportunities.
- Exit interviews should be conducted since they provide valuable information on how to manage and retain the remaining employees.
- To encourage career development in the organization, the human resource management should offer various technical certification courses that help employees to enhance their knowledge.
- Encourage growth and career development of employees by coaching, and by helping employees to achieve their personal goals. Annually, conduct an individual development plan and career discussions with employees and inspire supervisors in all departments to do the same. Hold supervisors in all departments accountable for supporting employee career development efforts through job rotation, cross-training, mentoring, internships, coaching, and career strategy groups.
- Support requests for alternate work schedules from staff members as well as support for lateral moves within your organization. Create job vacancy listings that allow for the most diverse applicant pool while honoring transferable skills.
- Human resource managers should employ effective employee performance appraisal systems that evaluate employees' performance openly and fairly.
- It should reveal potential opportunities; define strengths, weaknesses, and employees' career development needs.
- The HRM should align the current employee performance to future potential in a realistic way and use individual employee development plan as a tool for continual feedback and development.

7-Annexure



Questionnaire

Dear Respondent,

We are student of MBA (Sem-3) from Shree H.N. Shukla College of management studies, Rajkot. As per our academic curriculum, we are conducting a Research project on “AN INVESTIGATION INTO THE HIGH TURNOVER OF EMPLOYEES” at Atul Auto Limited. In this context, we request you to furnish us the below asked details. The Data provided by you will be kept secret and used for academic purpose only.

Name - _____

Gender

- Male
- Female

How long have you been working in these organization?

- Less than 1 year
- 1 to 2 years
- 3 to 4 years
- More than 5 years

What is your opinion on working environment?

- Highly satisfied
- Satisfied
- Neutral
- Dissatisfied

How likely are you to stay at this organization if you were to receive a 10% salary increase from another organization?

- Being extremely likely
- Likely
- Not likely
- Being not at all likely

How likely would you be to refer someone to work here?

- Being extremely likely
- Likely
- Not likely
- Being not at all likely

If you were to leave organization today, what could be your probable reasons from the following?

- Lack of training & development
- Lack of motivation
- Lack of incentives & poor wages
- Lack of career development

What is the main benefit that will attract you to stay with the current organization?

- Adequate compensation (salary, bonuses, etc.)
- Career growth
- Adequate working conditions (facilities, food, etc.)
- Great relationship with management & colleagues

Are there measures employed by the organization to manage employee turnover?

- Yes
- No

Is it important that appreciation for your work is necessary by your co-workers & supervisors?

- Yes
- No

Have you interviewed for another job in the last 3 months?

- Yes
- No

How could you rate the level of organizations efficiency when employee turnover is high?

- Very high
- High
- Low
- Very low

In comparison to reward or facilities, my workload is more?

- Extremely agree
- Agree
- Neutral
- Disagree

There is some relationship between bureaucratic working environment, inequity in pays & employee turnover?

- Strongly agree
- Agree
- Neutral
- Disagree

Express your level of satisfaction regarding the welfare measures provided by the company?

- Very satisfied
- Satisfied
- Neutral
- Dissatisfied

8-Bibliography

➤ Books referred:

- Aswathappa K, Human Resource and Personnel Management, Tata McGraw-Hill
- Research Methodology – C.R. Kothari

➤ Websites Referred:

- Shodhganga.inflibnet.ac.in
- Atulauto.co.in
- www.ibef.org