A STUDY ON EMPLOYEE RETENTION OF SPICE JET AIRLINES

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ABSTRACT
The research titled on “A Study on employee retention strategies with reference to “Spice Jet Limited” was conducted in Chennai. Employee retention is the systematic effort to retain the current employees by providing best policies and to recognize various expectations of the employees. The objective of the study is to analyze the organizational factors influencing the employee retention and to find individual factors leading employees to leave the organization and to examine the necessary conditions to retain the employees. The study has been done through descriptive research method and the collection of primary data has done through simple random sampling method under probability sampling method. The research design followed in this study is descriptive research. Questionnaire is used to collect primary data and conceptual review is used for secondary data collection through books, websites. The data is to be analyzed with percentage analysis, chi square & correlation and interpretation will be followed.

Keywords: Employee Empowerment, Training and Development, Appraisal System, Compensation, Employee Retention.

INTRODUCTION
Employee retention refers to the ability of an organization to retain its employees. Retention of a positive and motivated employee is very important for an organization for success. An effective human resource management practices can be the main factor for the success of any airline in the aviation industry.

Attrition can also be an influencing factor of employee retention in an organization. Employee Retention refers to the techniques employed by the management to help the employees stay with the organization for a longer period of time. Employee retention strategies go a long way in motivating the employees so that they stick to the organization for the maximum time and contribute effectively. Sincere efforts must be taken to ensure growth and learning for the employees in their current assignments and for them to enjoy their work. Employee retention has become a major concern for corporates in the current scenario. Individuals once being trained have a tendency to move to other organizations for better prospects. Lucrative salary, comfortable timings, better ambience, growth prospects are some of the factors which prompt an employee to look for a change. Whenever a talented employee expresses his willingness to move on, it is the responsibility of the management and the human resource team to intervene immediately and find out the exact reasons leading to the decision.

The cost of employee turnover is quite high and in order to minimize it, companies should set the right employee retention objectives. While compensation issues (such as salary levels and incentives) do matter, keeping an employee happy and engaged requires so much more.
### REVIEW OF LITERATURE

<table>
<thead>
<tr>
<th>Authors</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Lawrence et al., 1991)</td>
<td>This paper investigates motivational factors that influence employee retention and examines their impacts on both organizations and employees. The study states that Organization should provide with a number of strategies to increase employee retention such as: design an interesting employee value proposition; develop a total reward system that contains more than compensation; give constructive point of view on employee performance on regular basis; implement flexibility programs in terms of work life balance; build a culture of engagement, develop and refine management skills to be effective.</td>
</tr>
<tr>
<td>(Ghansah &amp; Edward, 2011)</td>
<td>The role of employee retention on job performance” the main aim of the study was to determine the retention practices. The study gives a brief detail of the motivational factors that how it maintains its employees. The study shows that the organisation must increase its benefits, opportunity and use of new technology.</td>
</tr>
<tr>
<td>(Hong et al., 2012)</td>
<td>An Effectiveness of Human Resource Management Practices on Employee Retention in Institute of Higher learning: - A Regression Analysis”. This study describes how employees regard importance of their empowerment, equity of compensation, job design through training and expectancy toward effective performance management on their retention. The findings show that how different culture might have different expectation on determining their employment satisfaction and retention.</td>
</tr>
<tr>
<td>Dr. K. Balaji Mathimaran &amp; Prof, Dr. A. Ananda Kumar (2012)</td>
<td>This study gives a brief note on employee retention based on the previous researchers who had already published their papers. This finding of the study was the employees were not recognised and rewarded for their performance; the remuneration scale should be enhanced according to the work which is getting done by the employees. The organisation must focus on the delegation of authority more to reduce workload.</td>
</tr>
<tr>
<td>(Nazia &amp; Begum, 2013)</td>
<td>This study focuses on the Indian MNCs in retaining their employees and also highlights the opinions of the employees mainly of the policies which are implemented on them. The findings of this study are job rotation must be there, change in work location and other recreational activities must be conducted. The suggestions given are that the organisation must concentrate on the physical and mental health of the employees to have a better retainment.</td>
</tr>
<tr>
<td>(Dutta &amp; Banerjee, 2014)</td>
<td>This study focuses on the reasons of attrition and retention of employees, and studies generating loyalty employees.</td>
</tr>
<tr>
<td>C. Balakrishnan, Dr. D. Masthan, Dr. V. Chandra (2015)</td>
<td>This study focusses on the behaviour of employees and causes for leaving the organisation. the researcher has found that the organisation lacks of basic transportation, mobility facility and monetary benefits also which would be the main cause for attrition.</td>
</tr>
<tr>
<td>(Silpa, 2015)</td>
<td>This study focuses on the dissatisfaction of employees and what are the reasons that make them to search for a new job and by this study it shows that causes for leaving the organisation. the researcher has found that the organisation lacks of basic transportation, mobility facility and monetary benefits also which would be the main cause for attrition.</td>
</tr>
</tbody>
</table>
OBJECTIVES OF THE STUDY:

Primary objective
- To study the employee retention strategies and work culture with reference to SpiceJet airlines in Chennai.
- To examine the necessary conditions to retain the employees.

Secondary objective
- To find the individual factors leading employees to leave the organization.
- To know whether employee training, work-culture influences employee retention.
- To study whether job appraisal and employee compensation influences employee retention.

RESEARCH METHODOLOGY:
We have used (google forms) to answer Questionnaire online.
Totally 100 sample survey have been collected from the online consumer.

ANALYSIS AND DISCUSSION

Training has improved your performance to do job effectively

<table>
<thead>
<tr>
<th>6 training has improved your performance to do the job effectively</th>
<th>21 Job securities</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>Count</td>
<td>1</td>
<td>6</td>
<td>9</td>
<td>156</td>
<td>15</td>
<td>187</td>
</tr>
<tr>
<td></td>
<td>Expected Count</td>
<td>1.5</td>
<td>8.0</td>
<td>9.0</td>
<td>156.0</td>
<td>12.5</td>
<td>187.0</td>
</tr>
<tr>
<td>Agree</td>
<td>Count</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>96</td>
<td>0</td>
<td>108</td>
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<tr>
<td></td>
<td>Expected Count</td>
<td>.9</td>
<td>4.6</td>
<td>5.2</td>
<td>90.1</td>
<td>7.2</td>
<td>108.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>Count</td>
<td>0</td>
<td>4</td>
<td>3</td>
<td>56</td>
<td>5</td>
<td>68</td>
</tr>
</tbody>
</table>

HYPOTHESIS OF THE STUDY

Employee Training
H0: There is no significant relationship between employee training and employee retention.
H1: There is significant relationship between employee training and employee retention.

Appraisal System
H0: There is no significant relationship between appraisal system and employee retention.
H1: There is significant relationship between appraisal system and employee retention.

Employee Empowerment
H0: There is no significant relationship between employee empowerment and employee retention.
H1: There is significant relationship between employee empowerment and employee retention.

Employee work environment.
H0: There is no significant relationship between work environment and employee retention.
H1: There is significant relationship between work environment and employee retention.
Expected Count | .5 | 2.9 | 3.3 | 56.7 | 4.5 | 68.0
---|---|---|---|---|---|---
Disagree Count | 0 | 2 | 0 | 4 | 5 | 11
Expected Count | .1 | .5 | .5 | 9.2 | .7 | 11.0
Total Count | 3 | 16 | 18 | 312 | 25 | 374
Expected Count | 3.0 | 16.0 | 18.0 | 312.0 | 25.0 | 374.0

**CHI-SQUARE**

<table>
<thead>
<tr>
<th>Value</th>
<th>df</th>
<th>Asymptotic Significance (2-sided)</th>
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</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>44.739*</td>
<td>12</td>
</tr>
</tbody>
</table>

**INTERFRENCE:**

We can interfere that the p-value (.000) is less than the alpha value 0.05 so reject null hypothesis and accept the alternative hypotheses that there is a significance between training and job employee retention.

9 You had the opportunity to determine the way of work * 22 Spice jet Helps in career development

**Crosstabulation**

<table>
<thead>
<tr>
<th>22 Spice jet Helps in career development</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 You had the opportunity to determine the way of work</td>
<td>Strongly agree</td>
<td>Count</td>
<td>46</td>
<td>44</td>
<td>78</td>
<td>9</td>
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<tr>
<td></td>
<td>Expected Count</td>
<td>28.1</td>
<td>67.8</td>
<td>78.9</td>
<td>4.4</td>
<td>1.9</td>
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<tr>
<td></td>
<td>Agree</td>
<td>Count</td>
<td>11</td>
<td>68</td>
<td>48</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Expected Count</td>
<td>19.7</td>
<td>47.5</td>
<td>55.4</td>
<td>3.1</td>
<td>1.4</td>
</tr>
<tr>
<td></td>
<td>Neutral</td>
<td>Count</td>
<td>1</td>
<td>28</td>
<td>33</td>
<td>0</td>
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</table>
CHI-SQUARE

<table>
<thead>
<tr>
<th>Chi square value</th>
<th>Value</th>
<th>df</th>
<th>Asymptotic Significance (2-sided)</th>
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</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>62.344*</td>
<td>12</td>
<td>.000</td>
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</tbody>
</table>

INTERFRENCE:

We can interfere that the p-value (.000) is less than the alpha value 0.05 so reject null hypothesis and accept the alternative hypotheses that there is a significance between employee empowerment and employee retention.

12 Are you satisfied with the culture of work place? * 24 Promotion opportunities Crosstabulation

<table>
<thead>
<tr>
<th>12 Are you satisfied with the culture of work place?</th>
<th>24 Promotion opportunities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>1</td>
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</tr>
<tr>
<td>Expected Count</td>
<td>22.5</td>
<td>64.0</td>
</tr>
<tr>
<td>Count</td>
<td>32</td>
<td>46</td>
</tr>
<tr>
<td>Expected Count</td>
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<td>63</td>
</tr>
<tr>
<td>2  Count</td>
<td>17.1</td>
<td>48.5</td>
</tr>
<tr>
<td>Expected Count</td>
<td>15.0</td>
<td>42.8</td>
</tr>
<tr>
<td>Count</td>
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<td>46</td>
</tr>
<tr>
<td>Expected Count</td>
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<td>2</td>
</tr>
<tr>
<td>Count</td>
<td>5</td>
<td>5.3</td>
</tr>
<tr>
<td>-------</td>
<td>---</td>
<td>----</td>
</tr>
<tr>
<td>Expected Count</td>
<td>1.6</td>
<td>4.4</td>
</tr>
<tr>
<td>Total</td>
<td>58</td>
<td>165</td>
</tr>
<tr>
<td>Expected Count</td>
<td>58.0</td>
<td>165.0</td>
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</tbody>
</table>

**Chi-Square Tests**

<table>
<thead>
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<th>Value</th>
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<td>Pearson Chi-Square</td>
<td>75.788*</td>
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</table>

a. 14 cells (56.0%) have expected count less than 5. The minimum expected count is .11.

**INTERFRENCE:**

We can interfere that the p-value (.000) is less than the alpha value 0.05 so reject null hypothesis and accept the alternative hypotheses that there is a significance between work environment and employee retention.

**CORRELATION**

**Descriptive Statistics**

<table>
<thead>
<tr>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 Ventilation facilities are maintained well</td>
<td>1.93</td>
<td>.864</td>
</tr>
<tr>
<td>20 Salary structure</td>
<td>2.17</td>
<td>.947</td>
</tr>
</tbody>
</table>

**Correlations**

<table>
<thead>
<tr>
<th>15 Ventilation facilities are maintained well</th>
<th>20 Salary structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>374</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>20 Salary structure</th>
<th>Pearson Correlation</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sig. (2-tailed)</td>
<td>.375**</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>374</td>
<td>374</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).**
INTERFERENCE:

We can interfere that the p-value (.000) is less than the alpha value 0.05 so reject null hypothesis and accept the alternative hypotheses that there is a significance between rewards and recognition and employee retention.

CONCLUSION

The main aim of this study was to investigate the importance of employee training and retention strategies of Spice Jet Airlines. The respondents of spice Jet were generally aware of the importance of employee retention.

Finally, the research concludes that Employee Retention is high in SpiceJet. Trust level between the employees and superiors, leadership quality and performance feedback, it will surely increase the level of Employee Retention in the company.

REFERENCES


