

# Employee Retention: A Review of literature

Krishna Prakash <sup>1</sup>, Dr. Jawahar philimis <sup>2</sup>

<sup>1</sup> Research Scholar, College of Management, SRMIST, Chennai, India

<sup>2</sup> Assistant professor, College of Management, SRMIST, Chennai, India

## ABSTRACT

Employee retention has become a big concern for corporations in the current global competitive environment. An organization invests time and money in grooming an individual so that he is ready to work and understands the corporate culture. It is critical for the organization to keep those individuals who work really hard and are critical to the system. The most difficult task that organizations face today is not only managing but also retaining these resources. Employee competencies are critical to a company's ability to be economically competitive, so attracting and maintaining skilled people is critical for every firm. Furthermore, managers face another issue today: maintaining employee satisfaction. The current study examines the numerous available literatures and analyses the contributions of various researchers on employee retention from the year 2012 to 2021. Based on a comprehensive review, the study's findings suggest that leadership, training and development, and the work environment are crucial for keeping personnel in the organization. Over the last decade, the way people are managed and developed at work has come to be acknowledged as one of the most important variables in improving organizational success.

**Keywords:-Employee Retention, IT Industry, retention factors**

## 1. INTRODUCTION

Retaining key personnel is essential to the long-term health and performance of any organization. Employee retention refers to encouraging employees to stay with the company for an extended period of time.

In most industries, competition is becoming more intense as a result of challenges such as globalization. This condition has an impact on the job market since organizations need more human resources to stay competitive in their respective industries. To be competitive, organizations must not only attract the best talents but also keep them on the job for a long time.

Employee retention refers to the ability of an organization to retain its employees. Every organization needs effective human resources to function properly. In order to ensure the stability of the workforce, the top management should undertake certain measures which will make the workplace pleasing and attractive.

Organizations should adopt new initiatives and review existing retention strategies and constantly monitor and benchmark the retention strategies of the competitors and take a proactive step toward implementing novel and attractive strategies to reduce the turnover of the employees.

This study is about the literature review/paper from the various journals for employee retention and various factors affecting employee retention.

## 2. OBJECTIVES

This study on review of literature on retention initiatives undertakes the following objectives:

- a. To find out the various research works that have been done in the area of employee retention.
- b. To highlight the various factors which affect retention initiatives in an organization?

### 3. METHODOLOGY

This present study evaluated earlier studies on employee retention in order to summaries them and define distinct phenomena. This study was used as a reference point for selecting and searching for pertinent literature, which was the initial stage. The following process overview specifies (a) the source of articles found, (b) the time of the study, (c) who processed the search, (d) how the literature was extracted, (e) the final number of articles picked, and (f) the reason for selected papers.

This present study used 30 research papers (e.g., Google scholar, Emerald, Springer, Elsevier and Scopus articles) to find out relevant data for the study. Detailed search was made on the database of Elsevier and Springer using the keywords of factors along with employee retention.

This research attempted to collect as many relevant papers as feasible. The review of the literature method is used in the current study to define and synthesize the existing body of literature on a specific subject.

### ANALYSIS OF LITERATURE

In total of 30 research papers were analyzed. A summary of the literature appears in Table 1 in chronological order. The summary includes authors name, purpose/objectives, sample data information, and key findings/conclusion from the articles.

**Table 1. Analysis of Research Articles**

S.No	Authors	Year	Objective / Purpose	Sample Size	Constructs/Variables Studied	Key Findings
1	Tammana Mohapatra	2021	This study will provide a better understanding of how firms can uncover new elements to improve their employee retention programs amid medical pandemics and financial downturns.	This is conceptual paper is an attempt to study on the factors affecting employee - retention during crisis	Access to information, Work place guidelines, Communication, Financial benefits, Work-life balance	Access to information and workplace norms, as well as financial benefits, communication, and work-life balance, are all important factors in keeping employees during a crisis and generating constructive outcomes.
2	Anna Koszela	2021	The purpose of this article was to present group elements that can be used to reduce voluntary employee turnover in IT firms.	This is conceptual paper about group factors relevant to mitigating voluntary employee turnover in IT organizations	Leadership, Managers relationship, coworkers relationship, internal communication	The leadership style thus influences the development of employee-manager relationships, as it is understood that connections do not have to be founded on friendship, but trust and a sense of support are crucial.
3	Nazifah Husainah and Azimah Hanifah	2021	The goal of this study is to investigate the effect of staff organizations and culture on earnings intention,	sample size is 200 from 25 outlets in Jakarta that foodhall	Organizational culture, Organizational commitment and turnover intention	The findings of this study is to reduce employee turnover intentions at Food Hall in DKI Jakarta

			both directly and indirectly through the organization to a food hall in Jakarta.			
4	Mohd Yusoff Yusliza, Juhari Noor Faezah	2021	The purpose of this study is to investigate the association between individual aspects of a supportive work environment (peer group interaction, perceived climate, perceived organizational support, and supervisory relationship) and academic staff retention in Malaysia.	Sample size is 225 from the academic staff from one of the public university in Malaysia region	Peer group interaction, perceived climate, perceived organizational support, supervisory relationship	We propose that universities should create supportive environments that allow academic staff to stay focused and dedicated in order to maintain high morale and prevent academic staff turnover.
5	Jefta Harlianto, Rudi	2021	This research mainly focuses on factor influencing the employee retention especially for millennial generation	Sample size is 236 from XYZ foundation	Development Opportunities, Leadership, Job Autonomy, Work Environment and Compensation	1. We recommend that the company evaluate its compensation policy and effectively inform its workforce, particularly the millennial generation.
6	Syed Harris Syed Noordin, Nor Lelawati Jamaludin, Norina Ahmad Jamil, Nurul Salizawate Mahpar	2021	The purpose of this study was to comprehend the variables affecting employee retention in the ecommerce Logistics industry, including the moderating effects of job embeddedness.	Sample size is 95 from one ecommerce logistic company	Compensation, Rewards, Work Environment, Moderating Variable : Job embeddedness	1. Results shows that reward and work environment have important influences on employee retention 2. Results also show that rewards and job embeddedness (moderator) have proven to have no influence on employee retention.
7	Dimitrios Chatzoude s, Prodromos Chatzoglo u	2021	The current empirical study's goal is to analyze the variables that affect European workers' intentions to leave their jobs, with a focus on the working circumstances' mediating effects.	Sample size is 750 from five different European countries (Greece, Italy, Spain and Denmark)	Organizational identification, Employee engagement, Employee commitment, Job satisfaction,	The study highlights, among other things, the significant influence of employee commitment and job satisfaction on raising the intention of employees to remain with the same organization.
8	DR. Mahesh VJ	2020	This study is about to examine Employee Retention Strategy in the IT sector	100 Samples from IT sector	Rewards and Recognition, Working Environment and Employer Employee	The study's conclusions show that better working conditions, more assistance from supervisors, career

					Relationship	opportunities, and awards and recognition have a positive, significant effect on employee retention in the IT industry.
9	M. K. Indumathi, Dr. R. Akila	2020	The purpose of this study is to examine the cause of the attrition in IT sector and to analyze factors which can help in retaining employees	The sample size for the study will be 50 employees who work in IT sector	salary, higher education, performance rewards, Personal Problems	Finding is Opportunity for development and salary are the crucial factor to retain the employees in IT sector.
10	Dr. Milind Arun Peshave	2020	This study is about to analyze the attrition rate, reasons as well as to understand the expectations of employees from the organization	Sample size is 120 in IT Industry in Pune and Mumbai	Salary, Technology, Lack of challenges, Stressful timelines, Company policies, Relationship with superiors	Work Culture relationship with immediate lead, company policies are major factors to retain the employees in the organization
11	U. K. Thalaspitiya	2020	The main goal of this study is to determine how employer branding affects executive level employees' retention among selected large-scale apparel firms in Sri Lanka.	Sample size is 245 executive employees of apparel sector in Sri Lanka	Employee strength and growth, Psychological contracts, Perception of Organization support, Organizational identification	The study's findings highlight organizational identity as a key element of employer branding that had an impact on executive-level employees' retention in Sri Lanka's garment sector.
12	T S Nanjundeswaraswamy, C M Sanjana, M A Kavya	2020	This research was done in the manufacturing areas of Bangalore and the surrounding areas.	Sample size is 177 from 6 Manufacturing units in Bengaluru	Age of the employees, Education level of the employees, Designation of the employees, the Average monthly salary of the employees	1. The findings are that employee Retention is greatly influenced by factors such as the employees' age, educational background, job title, and average monthly compensation.
13	Zahid Halim, Maria, Muhammad Waqas, Cedric A. Edwin	2020	This work is to identify the factors that influence employee retention.	Sample size is 853 from health care, business, academics, and banking sector in Pakistan	Reward and recognition, work performance, supervisor support, income and bullying and work harassment	The findings are reward and recognition, work performance, supervisor support, income and bullying and work harassment have an impact on demographic profile
14	Pieter Schaap, Chantal Olckers	2020	The goal was to better understand the connections between various employee retention criteria and psychological causes of voluntary turnover.	Sample size is 272	Compensation, Job characteristics, Training and development opportunities, Supervisor support, Career opportunities, Work-life balance	The results showed that job satisfaction and affective commitment differently mediated the link between employee retention characteristics and

						turnover intention, partially confirming other research and offering fresh insights into employee retention.
15	Yvonne Sichuan, Jackson Pire	2020	The purpose of this study was to identify some of the major factors that affect employee retention in the transport and logistics industry in Solwezi, Zambia Africa	Sample size is 144	Job satisfaction, Organizational commitment, workplace structures	The results showed that organizational commitment, job happiness, and workplace architecture all had an impact on retention.
16	Ayushi Agarwal, Sumit Kumar Singh	2020	The objective of this paper is to investigate various employee retention tactics that Indian organizations can use to reduce employee turnover as well as how job happiness can play a role in this.	Conceptual paper about employee retention strategies	Flexibility, Compensation and benefits, Training, Leadership, Rewards and Recognition	This result of this paper is that the companies should start their retention process effectively
17	Priyada Sudhakara n	2019	This study emphasizes the importance of investigating the reasons technology personnel willingly leave their current employers in order to develop an effective retention strategy.	Sample size is 942 from IT professionals	Pay, Career development leadership, work environment and a healthy work and family balance	1. The voluntary turnover of technology workers might be significantly reduced by using this model, which is designed for employee retention and makes use of retention techniques such as salary, benefits, career development, leadership, work environment, and a good work-life balance. 2. The suggested methodology can be put into practice in technological companies that are struggling due to the pressure of staff resignations of their own volition.

18	Swaroopa, Prof.B. Sudhir	2019	The purpose of this study is to identify and analyze the major factors that affect employee retention	Sample size is 615	Health and wellness benefits, Personal Development, Compensation, Work life Balance, Top performer Recognition and Reward, superior-Subordinate Relationship, training and development, Job Characteristics and Job Commitment, Financial Rewards and Welfare Programs	The findings demonstrate that initiatives for retaining employees, such as employee reward programs, flexible work schedules, staff training, performance-based bonuses, employee recreation, and career development programs, have an advantageous impact on retention.
19	Ms Shahtaj Yousuf	2019	The main objective of this study is to explain the factors that help in retaining employees in IT and banking industry.	Sample size is 120 from IT and Banking sector in Karachi	Performance Appraisal, Training and development and Work environment	Results indicated that performance reviews have a much greater impact on employee retention in the IT sector than in the banking sector, whereas training and development have a greater impact in the banking sector.
20	Evy Rombaut, Marie-Anne Guerry	2019	The purpose of this study is about that the employee retention is to prevent competent employees from leaving the company	Sample size is 1606 from Belgian company	Recognition, Communication, Training and Job flexibility	Employee retention is positively impacted by compensation and recognition while being minimally impacted by training and job flexibility.
21	J.Pavithra, Thirukumar	2018	The primary goals of the study are to identify organizational elements affecting employee retention; identify personal causes that cause employees to leave the company; and analyze the conditions necessary to keep employees.	Sample size is 150 in Philips electronics, Chennai	Compensation, work environment	The employees feel that their workload is heavy, and the respondents are dissatisfied with the remuneration perks and working environment. The organization can provide its employees with a better working atmosphere and a proper job rotation to keep them motivated.
22	Kelvin M Mwita, Dr. Eliza Mwakasungu	2018	This study examined the link between leadership and employee retention. The study used Akiba Commercial Bank	Sample size is 30 from bank	Leadership	Findings shows that there is a linear relationship between leadership and employee retention

23	Dr. K. Balaji Mathimaran, Prof. Dr. A. Ananda Kumar	2017	This main objective of this study tries to evaluate the various available literature and research work on employee retention and the factors affecting employee retention and job satisfaction among the employees	Sample size is 100 from Yacoo Pharma, Pondicherry	Training and Development, recognition/reward , a competitive salary package and job security	The study's conclusions show that employees are not happy with the organization's system of praise and performance evaluation. They should, therefore, give it some consideration.  2The study's conclusions point out those factors including job stability, training and development opportunities, recognition and rewards, and competitive pay packages are very important in influencing an employee's decision to stay or quit an organization.
24	Gayatri Bhauguna, Dr. S R Sharma	2017	The purpose of this study focuses on employee retention strategies adopted by the software industry.	Sample size of 180 employees of three software companies (TCS, HCL and Danfoss) in NCR Delhi region	Work environment, family problems, compensation, relationship with superiors	According to this study, the most important elements and IT professional may take into account while considering a career change are the work environment, family issues, remuneration, and relationship with superiors.
25	Gary Covella	2017	This purpose of this study contributes to literature regarding and employee work engagement empirically tested within a single framework	Sample size is 402 recruited through Amazon Mechanical turk, USA	Person-job fit, turnover intention and employee work engagement	The findings show that employee work engagement and LMX (Leader Member Exchange) mediate the association between person-job fit and intention to leave a job.
26	Shabnam Khatoon	2017	This objectives of this study is about to retain the female employees in BPO sectors in Northern India	Conceptual paper about employee retention strategies for retaining the female employees in BPO sectors	work-life balance, management/leadership, work environment & culture, training and development	BPO companies may redefine their policies to retain the female employees. Pay is not
27	Umamahe swari S, Jayasree Krishnan	2016	This paper examines the impact of the above factors over organization commitment and explores the	Sample size is 416 employees from ceramic companies across India	work environment, supervisor support, training and development, organization commitment	The findings show that employees who are committed to their firm are more likely to stay in the ceramic sanitary ware

			effects of organization commitment on retention, and verifies the mediating effect of organization commitment on the relationship between proposed factors and retention.			sector in India.
28	Mariyam Imna	2015	The purpose of this study seeks to establish the influence of human resource management practices on employee retention	The sample of 254 employees from 14 retail outlets in Male, Maldives	Career and development, training and development, performance appraisal, reward and compensation, and health & safety	This study found that career development, reward and recognition, and health and safety are the three human resource practices that have a positive and significant impact on employee retention.
29	S.Arul Senthilku mar	2014	The study revealed numerous aspects that will aid in employee motivation.	Sample size is 150 from IT professionals in Coimbatore region	Recognition, Performance Appraisal, Communication, Training, Working Conditions, Coworkers, Grievance, Job security	A motivation analysis aids management in resolving organizational issues, particularly those that concern employee work satisfaction.
30	DR.K.KA LPANA	2012	The primary goal of this study was to determine techniques to reduce staff attrition. This research includes both general and Wipro case studies.	Sample size is 60 from Wipro technologies, Gachipoli	Pay and Benefits, Career Development, Training and Development, Work Environment, Job Satisfaction	The outcome demonstrates that Wipro should focus on all these aspects, including pay and benefits, career development, training and development, work environment, and job satisfaction, given that the majority of its employees have less than two years of experience. The HR manager focuses more on career development for employees in the 20 to 30 year age range and creates solid career plans for individuals in the 30 to 40 year age range.

From the above table it was found that the following factors are important to retain the employees – work environment, training and development, leadership, rewards and recognition, compensation, work life balance, performance appraisal, Job security and career development.



Detailed search was made on the database of Emerald and Springer using the keywords of these factors along with employee retention and results obtained are incorporated in the table 2 below.

**Table 2: Analysis of how many articles are available in the literature review above, Springer and Emerald for the following factors**

Factors	No of the articles from the review of Literature above	From Emerald	From Springer
Work environment	8	2487	877
Training and development	8	2033	790
Leadership	7	1753	455
Rewards and recognition	6	615	239
Compensation	5	674	319
Work-life balance	5	478	139
performance Appraisal	3	223	223
Job security	2	782	351
Career development	2	419	419

From the above table 2 we conclude that work environment, training and development and leadership are the most crucial factors to retain the employees in the organization.

#### 4. CONCLUSION

This study summarized the various researchers' new approaches for retaining employees in organizations. Any organization's ability to attract, engage and retain the ideal employee is a top priority. Organizations could implement a variety of tactics to boost employee retention, including remuneration policies, job security, leadership and supervision, career planning and development, alternative work schedules, working conditions, flexible working hours, building a culture of engagement, work-life balance, and improved labor welfare, among others.

However, retaining and fulfilling these resources is currently the most challenging issue a company must confront. This research article tried its best to highlight the numerous studies conducted and the contributions made by various researchers in the area of employee retention.

Organization needs to look into work environment, leadership and training and development as they are the most important factors to retain the employees in the organization.

#### REFERENCES

1. Tammana Mohapatra, Debasmita Nayak, 2021 An Analysis of Factors Affecting Employee – Retention during Crisis of COVID -19, International Journal for Research in Engineering Application & Management, Vol-06, Issue-12
2. Nazifah Husainah and Azimah Hanifah, 2021, Reducing employee turnover intention, Journal of Bionatura, Vol 23, No 2, 234 – 242.
3. Mohd Yusoff Yusliza, Juhari Noor Faedah, 2021, Analyzing the Relationship between Supportive Work Environment and Employee Retention, 11th Annual International Conference on Industrial Engineering and

## Operations Management

4. Jefta Harlianto, Rudi, 2021, Factors influencing the employee retention of millennial generation (case study: xyz foundation), *International Journal of Management (IJM)*, Volume 12, Issue 1, pp. 1115-1126.
5. Syed Harris Syed Noordin, Nor Lelawati Jamaludin, Norina Ahmad Jamil, Nurul Salizawatee Mahpar, 2021, Factors Influencing Employee Retention; The Moderating Roles of Job Embeddedness in Ecommerce Logistic Industry, *International journal of Academic research in Business and social sciences*, Vol. 11, No. 5, Pg. 617- 638.
6. Dimitrios Chatzoudes, Prodromos Chatzoglou, 2022 Factors Affecting Employee Retention: Proposing an Original Conceptual Framework, *International Journal of Economics and Business Administration*, Volume X, Issue 1, pg 49 – 76
7. Dr. Mahesh VJ, 2020, Employee retention strategies in IT sector – a perceptual survey, *Journal of Contemporary Issues in Business and Government* Vol. 26, No. 2
8. M. K. Indumathi, Dr. R. Akila, 2020, A study on employee attrition and employee retention in IT sector, *JNR Online Journal*, Vol. 21, No. 4(S2)
9. Vinaya Saraf, Dr. Milind Arun Peshave, 2020, An analysis on employee-attrition in IT industry, *Mukt Shabd Journal*, Volume IX, Issue VII.
10. U. K. Thalaspitiya, 2020, Employer Branding as a Predictor of Employee Retention, *International Journal of Business and Administrative Studies*, volume 6 issue 3 pp. 157-161.
11. T S Nanjundeswaraswamy, C M Sanjana, 2020 Employee retention in manufacturing units, *PES Journal*, Vol. 02, No. 1 (2020) 3-12 .
12. Zahid Halim, Muhammad Waqas, 2020, Identifying factors for employee retention using computational techniques: an approach to assist the decision-making process, *Springer Nature Journal*,
13. Pieter Schaap, Chantal Olckers, 2020, Relationships between employee retention factors and attitudinal antecedents of voluntary turnover: An extended structural equation modeling approach, *SA Journal of Human Resource Management*
14. Yvonne Sishuwa, Jackson Phiri, 2020, Factors Influencing Employee Retention in the Transport and Logistics Industry, *Open Journal of Social Sciences*, 2020, 8, 145-160
15. Ayushi Agarwal, Sumit Kumar Singh, 2020, Employee retention strategies in a current scenario for Indian companies, *Shodh sarita*, Vol 7, Issue 28, pp:173 – 179.
16. Priyada Sudhakaran, 2019, Retention of Valuable Talent: Developing an Effective Retention Strategy for Technology Professionals in India using Structural Equation Modeling, *International Journal of Recent Technology and Engineering (IJRTE)*, Vol 8, Issue 3, pg:2833 – 2843
17. D.Swaroopaa, 2019, Study on Employee Retention Strategies and Factors with Special Reference to IT Industry, *International Journal of Business and Management Invention*, Volume 8 Issue 09 Series. II
18. Ms Shahtaj Yousuf, Factors Influencing Employee Retention: A Karachi Based Comparative Study on IT and Banking Industry, *International Journal of Human Resource Studies*, Vol. 9, No. 1
19. Evy Rombaut and Marie-Anne Guerry, 2019, the effectiveness of employee retention through an uplift modeling approach, *International Journal of Manpower*, Vol. 31 No. 3, and pp. 837-848.
20. J.Pavithra, Thirukumaran, 2018, A study on employee retention with special reference at Philips electronics, Chennai, *International Journal of Pure and Applied Mathematics*, Volume 119 No. 12, (1523-1543)
21. Kelvin M Mwita, 2018, The Influence of Leadership on Employee Retention in Tanzania Commercial Banks, *International Journal of Human Resource Studies*, Vol. 8, No. 2, 274-283.
22. Dr. K. Balaji Mathimaran, Prof. Dr. A. Ananda Kumar, 2017, Employee Retention Strategies – An Empirical Research, *Global Journal of Management and Business Research: E*
23. *Marketing*, Volume 17 Issue 1 Version 1.0,
24. Gayatri Bhauguna, Dr. S R Sharma, 2017, Retention as an issue in Indian software industry, *International Journal of Research in Economics and Social Sciences*, Vol. 7 Issue 10,258-274
25. Gary Covella, Vikkie McCarthy, Belal Kaifi, and Daniel Cocoran, 2017, Leadership's Role in Employee Retention, *Business Management Dynamics*, Vol.7, No.05, pp. 1-15.
26. Shabnam Khatoon, 2017, Employee retention management: strategies for retaining female employees in BPO sectors in north India, *International Journal of Research in Social Sciences*, Vol. 7 Issue 5, 195-207.
27. Bodjrenou Kossivi,2016, Ming Xu, Bomboma Kalgora, Study on Determining Factors of Employee Retention, *Open Journal of Social Sciences*, 2016, 4, 261-268.

28. Mariyam Imna, Zubair Hassan, 2015, Influence of Human Resource Management practices on Employee Retention in Maldives Retail Industry, International Journal of Accounting & Business Management, Vol. 3 (No.1), 51-80
29. S.Arul Senthilkumar,2014, Employee motivation - a strategic tool for employee retention special reference with it industry, Coimbatore, IJMSS Vol.2 Issue-12, 44-57
30. R.SHANMUGAM, A.ANBU, 2012, An empirical study on retention of employees in IT industries with special reference to Wipro technologies, International journal of management (ijm), Volume 3, Issue 2, 270-278.