

# A Study On Employee Retention Strategies At Paragon Steels Pvt Limited, Kanjikode

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**Abstract-** Employee retention is vital for organizational success and sustainability, requiring businesses to implement effective strategies across key areas: compensation and benefits, work-life balance, organizational culture, and employee recognition. Offering competitive compensation and benefits, including salaries, health benefits, and retirement plans, is essential for attracting and retaining top talent. Promoting work-life balance through flexible schedules and remote work opportunities reduces burnout and enhances job satisfaction. Providing training, mentorship, and clear advancement paths fosters professional growth and loyalty. A positive organizational culture of inclusivity, respect, and community encourages employees to stay. Recognizing and rewarding contributions through regular feedback, bonuses, and public acknowledgment boosts morale. Tailoring these strategies to workforce needs helps reduce turnover costs, retain institutional knowledge, and build a motivated and committed team.

**Keywords-** employee retention, compensation, work-life balance, organizational culture, employee recognition

## I. INTRODUCTION

In Kanjikode, the steel factories play a crucial role in providing jobs and generating income for the community. However, there's a significant issue: many workers are leaving their jobs, despite the companies offering good pay and benefits. This creates challenges for the factories, as it disrupts their operations and costs a lot of money to hire and train new workers. To address this problem, a study has been initiated to understand why workers are leaving and what can be done to encourage them to stay. The study aims to uncover the reasons behind workers quitting their jobs at the steel factories in Kanjikode. Researchers will serve workers and analyze information to identify the factors driving them costs associated with hiring and training new employees. Therefore, finding ways to keep workers happy and motivated is essential for the long-term success of the steel factories in Kanjikode.

The study will collaborate with experts and researchers to develop innovative solutions to enhance job satisfaction and retention among workers. It's essential for everyone involved to work together to ensure the to leave. By

understanding these reasons, the study seeks to develop effective strategies to improve job satisfaction and retention rates among workers. Retaining workers is crucial for the success of the factories and their ability to compete with other companies. When workers stay in their jobs, it helps maintain smooth operations and reduces the success of the study and to support the steel factories in Kanjikode in achieving their goals for the future.

## REVIEW OF LITERATURE

**Hom and Griffeth (1995)** described in a study that the process of encouraging employees to stay for a long period or till the project completion is termed as retention. Wysocki, B (1997) pointed out the view of “The Society of Human Resource Management” that retention of employee is the hottest topic in the current scenario.

**Drucker (1999)** explained that employees voluntarily quit their job is a potential retention issue. Trip, R, while discussing turnover stated that for many organizations, voluntary turnover is a big challenge. Turnover may be voluntary or involuntary and functional or dysfunctional. Voluntary turnovers refer to leaving of an employee in an organization voluntarily ie. The employee himself decides to leave/resign from the organization. In involuntary turnover, the employer expels the employee i.e. the employee leaves the organization unwillingly. It could be due to low performance, conflict or due to employment at will. When a low performer leaves the organization, it is referred as functional turnover. When a high performer leaves, it is referred as dysfunctional turnover which incurs cost to an organization.

**Terence et al., (2001)** stated that there are so many reasons for an employee to leave voluntarily. Some may be personal and some may be influenced by organizational factors. Personal reasons such as family situation, career growth and attractive job offers etc. Organization factors Includes lack of promotional opportunities, unfair treatment among employees and mismatch between personal values and organizational values etc., Overall turnover is a great problem for both organization and individual. Further it is clearly discussed that occurrence of shock which is expected or unexpected leads to serious thoughts (i.e. intention) to leave. Shocks may be

positive, negative or neutral. Positive such as alternative job offers, pregnancy etc., Negative such as leaving of friends, poor performance appraisal etc. And neutral such as relocation of spouse, changes in administration etc.

**Priyanka and Dubey S K (2016)** in their study performed exploratory factor analysis using principal component technique. They have identified employee turnover intentions through eight factors such as quality of management practices, Low salary, No career growth opportunity, Lack of support from the peer, supervisors and family members, little learning opportunities, Poor working environment i.e. no workplace safety, Communication and Insecurity in job.

**II. OBJECTIVES**

**PRIMARY OBJECTIVES**

- To examine the effectiveness of employee retention strategies implemented at Paragon Pvt Limited, Kanjikode.

**SECONDARY OBJECTIVES**

- Analyze the impact of compensation and benefits packages on employee retention.
- Assess the significance of work-life balance initiatives in reducing turnover rates.
- Explore the satisfaction of organizational culture on employee commitment and retention

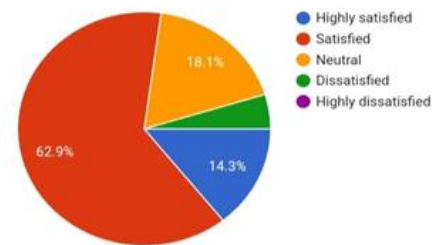
**RESEARCH METHDOLOGY**

The research methodology for studying employee retention strategies at Paragon Steels Pvt. Limited involves a descriptive research design. This design utilizes a survey conducted through a structured questionnaire, targeting a population of 150 employees. A sample size of 92 employees is determined using random sampling to ensure a representative subset of the population. Random sampling helps in minimizing bias and enhancing the generalization of the findings. Both primary and secondary data are collected using the questionnaire, which is designed to gather detailed insights into various retention strategies such as compensation and benefits, work-life balance, organizational culture, and employee recognition. This approach aims to provide a comprehensive understanding of the factors influencing employee retention within Paragon Steels Pvt. Limited.

**III. DATA ANALYSIS**

**TABLE SHOWING JOB SATISFACTION**

PARTICULAR	NO.OF EMPLOYEES	%OF RESPONDENTS
HIGHLY SATISFIED	15	14.3%
SATISFIED	66	62.9%
NUTREL	19	18.1%
DISSATISFIED	5	4.8%
HIGHLY DISSATISFIED	0	0%
<b>TOTAL</b>	<b>105</b>	<b>100</b>



**FIGURE SHOWING JOB SATISFACTION**

The data shows that the majority of employees, 62.9%, are satisfied with their jobs, indicating a generally positive work environment. A smaller segment, 14.3%, is highly satisfied, while 18.1% remain neutral, neither satisfied nor dissatisfied. Only 4.8% of employees are dissatisfied, and none are highly dissatisfied. Overall, the high levels of satisfaction suggest that the organization is effectively meeting the needs and expectations of most of its employees.

**TABLESHOWING FACTORS INFLUENCING JOB SATISFACTION BY MARITAL STATUSHYPOTHESIS**

FACTORS	MARRIED	SINGLE	TOTAL
Competitive salary	10	3	13
Benefit package	49	24	73
Company reputation	3	3	6
Work-life balance	10	2	12
<b>TOTAL</b>	<b>72</b>	<b>32</b>	<b>104</b>

**H0:**There is no significant relationship between marital status (married or single) and the factors influencing job satisfaction

(competitive salary, benefit package, company reputation, and work-life balance).

**H1:** There is a significant relationship between marital status (married or single) and the factors influencing job satisfaction (competitive salary, benefit package, company reputation, and work-life balance).

$$\text{Chi-Square } \chi^2 = \sum(O - E)^2 / E$$

O – Observed Frequency

E – Expected Frequency

Expected Frequency = Row Total\*Column Total/ Grand Total

O	E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
10	9	1	1	0.11
49	50	-1	1	0.02
3	3.9	-0.9	0.81	0.20
10	8.3	2.7	7.29	0.87
3	4	-1	1	0.25
24	22.4	2.4	5.76	0.25
3	1.84	1.16	1.34	0.72
2	3.69	-1.69	2.85	0.77
Σ				<b>3.19</b>

Level of significant

Significant level=5% =0.05

Degree of freedom=(row-1) (column-1) = (4-1) (2-1) = 3x1 = 3

$$\Sigma=3.19$$

Table value for 3 degrees of freedom =0.10

The p-value of 0.363 indicates that, under the null hypothesis, there is a 36.3% chance of obtaining a chi-square statistic at least as extreme as 3.19 purely by random variation. Here’s a more detailed interpretation. The observed chi-square value of 3.19 is consistent with what we might expect to see by chance if the null hypothesis is true.

INCOME	HIGHLY SATISFIED	NEUTRAL	DISSATISFIED	HIGHLY DISSATISFIED
BELOW 10000	0	0	1	0
11000-12000	5	7	2	1
13000-14000	20	8	2	0
15000 ABOVE	0	2	0	0

GROUP	COUNT	SUM	AVERAGE	VARIANCE
BELOW 10000	5	1	0.2	0.2
11000-12000	5	30	6	31
13000-14000	5	62	12.4	180.8
15000 ABOVE	5	12	2.4	18.8

SOURCE OF VARIATIONS	SS	DF	MS	F	P-VALUE	F-CRITICAL
BETWEEN GROUP	426.55	3	142.1833	2.464183	0.099781	3.238872
WITH IN GROUP	923.2	16	57.7			
TOTAL	1349.75	19				

**Null Hypothesis (H0):** There is no significant difference in the means of the groups. In other words, all the group means are equal.

**Alternative Hypothesis (Ha):** There is a significant difference in the means of at least one group compared to the others.

The ANOVA analysis indicates that there is no statistically significant difference in job satisfaction levels across the different income brackets (Below 10,000; 10,000-12,000; 13,000-15,000; and 15,000 above). The calculated F-value of 2.464183 is less than the critical F-value of 3.238872, and the p-value of 0.099781 is greater than the significance level of 0.05. This suggests that income does not have a

significant impact on job satisfaction among the groups studied.

a lower rank, implying it may be a consideration but not as pivotal as the other factors.

**JOB SATISFACTION LEVEL BY VARIOUS WORKPLACE**

**JOB SATISFACTION LEVEL BY AGE GROUP**

FACTORS	HIGHLY SATISFIED	SATISFACT	NEUTRAL	DISSATISFACT	HIGHLY DISSATISFACT	WEIGHTED AVERAGE	RANK
SAFETY MEASURES	18	16	2	2	0	10.33	3
PROVIDENT FUND	5	21	10	2	0	9.53	4
CONTRACT HEALTH INSURANCE	24	38	41	1	2	26.6	1
CONTRACT EMPLOYEE	5	18	76	3	4	22.33	2

AGE	HIGHLY SATISFACT	SATISFACT	NEUTRAL	DISSATISFACT	HIGHLY DISSATISFACT	TOTAL
20-35	9	21	2	2	0	34
36-45	4	22	4	3	0	43
46-55	2	23	3	0	0	28
OVER 55	0	0	0	0	0	0
MEAN	15	66	19	5	0	105

The data summarizes satisfaction levels across different age

groups. For ages 20-35, most respondents are satisfied (21 out of 34), with some highly satisfied (9 out of 34) and few neutral or dissatisfied. In the 36-45 age group, satisfaction remains high (22 out of 43) with a few highly satisfied, neutral, or dissatisfied respondents. For ages 46-55, the trend continues with most being satisfied (23 out of 28) and very few neutral or highly satisfied. The over 55 age group shows no responses. Overall, satisfaction is the predominant sentiment across all active age groups, with minimal dissatisfaction.

**V. CONCLUSION**

The study on employee retention strategy at Paragon Steel Industries, Kanjikode, reveals key insights into the factors influencing employee turnover and retention within the organization. By identifying challenges such as inadequate compensation, limited career advancement opportunities, and poor work-life balance, the study highlights the need for strategic interventions to enhance employee satisfaction and commitment. Recommendations include implementing competitive compensation packages, establishing clear career pathways, fostering a supportive work environment, and promoting a culture of recognition and appreciation. Through targeted initiatives addressing these areas, Paragon Steel Industries can strengthen employee retention, minimize turnover costs, and build a motivated and loyal workforce poised for sustained success.

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The weighted average and rank information provided offer insights into the relative importance of various factors within a particular context, possibly an assessment or evaluation framework. Contract health insurance emerges as the most crucial aspect, garnering the highest weighted average and securing the (26.6). This suggests a strong emphasis on providing comprehensive health coverage for contract-based employees. Following closely behind is the status of contract-based employees themselves, indicating a focus on equitable treatment and support. Safety measures rank third in importance, highlighting a commitment to workplace safety. Provident fund, while still significant, holds

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