

Determinants of Employee Retention Intention

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Abstract

Employee retention refers to the ability of an organization to retain its employees. Apparel industry plays a major role in Sri Lankan economy. High level of employee absenteeism and turnover is a chronic disease of this industry and various types of strategies are used to generate employee retention intention in their minds. The main purpose of this study is to identify the factors affect to the employee retention intention with special reference to Brandix Essentials pvt. Ltd. Matara. With reference to the existing circumstances of the garment industry, it is revealed that the necessity of redefining the modern retention strategies rather than traditional salary, benefits package and compensation etc. Factors of employee retention were considered as independent variable and it was categorized to five theoretical perspectives, such as company image, rewards, organizational policies, employee relationship and employee satisfaction. The employee retention intention was dependent variable and it was measured under the variables of employee absenteeism and turnover. As a descriptive study both qualitative and quantitative research methods were used. Primary data was collected through a structured questionnaire with Likert 5 point scale type questions and several interviews held with the management. Secondary data were collected by organizational sources, exit interviews and other relevant documents. 100 machine operators were used for the data collection effort. Employee preferences were measured by the mean values and compared in order to the demographic variables and measured the nature of relationship among two variables. The mean values of employee perception towards the retention factors are having favorable condition. But the relationship among two variables is “0” and “weak positive”. But there was no any significant importance ($p > 0.05$) among the factors except company policies. It means that company policies ($p = 0.03$) have been influenced to their absenteeism and turnover activities. Further discussions held with the management and collected data from the exit interviews reviewed that employees are leaving from the organization due to their personal factors such as marriage, family matters, health factors etc. Hence the findings of this study would be important to the decision makers of the garment industry and further suggestions were made.

Keywords: *employee absenteeism, employee retention, employee turnover, retention factors, retention intention*

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