

FACTORS INFLUENCING EMPLOYEE RETENTION: A STUDY OF PHARMACEUTICAL MARKETING

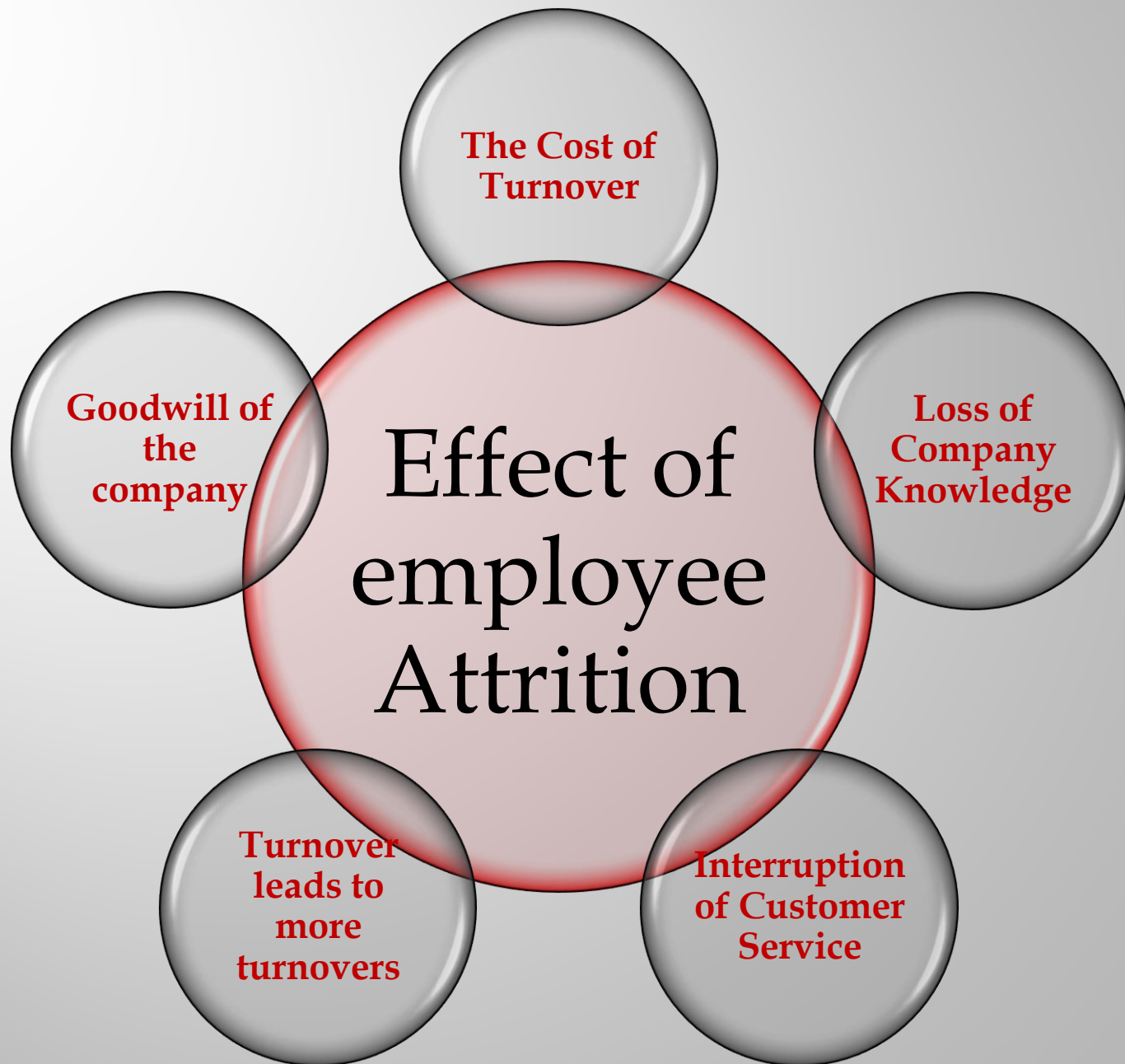
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“When our key assets, i.e., employees walk out every evening, our net worth is reduced to zero. Our challenge is to ensure that they come back next day rejuvenated, refreshed and energized”

N. R. Narayana Murthy

INTRODUCTION

- ▣ Employee retention refers to policies and practices companies use to prevent valuable employees from leaving their jobs.
- ▣ Retention of key employees is critical to the long-term health and success of any organization.



RESEARCH PROBLEM

- ▣ Employee retention has become a major challenge for HR executives all over the pharmaceuticals industry.
- ▣ The attrition rate in the pharmaceuticals Marketing ranges from 35 to 40 percent at the field level and 8 to 10 per cent at the managerial level

RATIONALE

- ▣ In pharmaceutical marketing profession, competent employees are considered as backbone of the organization.
- ▣ Once the factors which influence employee retention are identified, it would be possible for the management to take necessary action to reduce attrition level.
- ▣ This study can serve as a basis for measuring the organization's overall performance in terms of employee retention.

OBJECTIVES

- ▣ To identify the factors which influence retention level of employees.
- ▣ To Find out factors which causes employee attrition.
- ▣ To identify major segment/ age group to focus for employee retention programs.

RESEARCH METHODOLOGY

- ▣ **Study design:** A Descriptive cross sectional study
- ▣ **Study area:** Pune
- ▣ **Sampling design:**
 - Sampling element:** Medical representatives working in Pune
 - Sampling technique:** Convenience sampling
 - Sample size:** 100
- ▣ **Data collection:** Primary data was collected
- ▣ **Data collection Tool:** structured questionnaires was used for data collection
- ▣ **Data analysis:** using Microsoft excel, SPSS

RESULTS AND DISCUSSION

Demographic profile of respondents (n=100)	
Total no of Respondents	%
Male	74
Female	26
Age brackets	
20-25	17
25-30	65
30-35	15
<35	3
Qualification	
Diploma	22
Graduation	69
Post Graduation	9
Experience	
<u>Upto 1 yr</u>	34
2-5 yrs	57
5-10 yrs	9
<10 yrs	0

Result depicts the demographic analysis: with age, gender, qualification and experience of respondents being a key criteria for analysis.

Reliability Measure:

reliability value is higher than the standard value, so the scale is highly reliable.

Cronbach's Alpha	N of Items
.848	18

KMO and Bartlett's Tests results

Looking at the table below, the KMO measure is 0.852. From the same table, we can see that the Bartlett's test of sphericity is significant.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.852
Bartlett's Test of Sphericity	Approx. Chi-Square	710.440
	Df	153
	Sig.	.000

Table No.: 4, Rotated Component Matrix^a

	Component			
	1	2	3	4
Salary is at par with others		.602		
Adequate perks		.724		
flexible work hours	.510			
resolution of employee grievances	.652			
Better work opportunity		.711		
minimum stress of target			.680	
Compatible immediate superior				.706
recognition and rewards for my work and contribution		.737		
meet the quality standards				.713
post retirement benefits		.597		
Communication to superior				.724

work is praised by superiors				.738
avoids Unnecessary paperwork			.705	
Efforts to keep the workforce motivated	.687			
overseas trips		.547		
Security of job	.609			
fixed monthly targets			.608	
healthy competitive environment			.590	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 7 iterations.				

HR Policies

- Efforts to keep the workforce motivated,
- Resolution of grievances
- Satisfaction with working hours
- Security of job

Compensation & benefits

- Salaries are at par with others
- Adequate perks
- Recognition and rewards for work and contribution
- Post-retirement benefits
- Overseas trips

Work Pressure & Culture

- Minimum Stress of target completion
- Avoid unnecessary paperwork
- Fixed monthly targets,
- Healthy competitive environment

Relations with superior

- Compatibility with immediate superior
- Meeting the quality standards
- Accessibility of superiors
- Work is praised by superiors.

Causes of employee attrition

Sr.No	Major Factors	Frequency of being described as main cause by respondents
1	Work stress	More than 91% employees feel that though their compensation, incentives and perquisites are attractive but there is a lot of work stress especially in the months of March and September.
2	Fluctuating targets	88% feel their targets keep fluctuating and they are not very sure about what would be expected from them next time
3	Working hours	88% employees are not happy
4	Better opportunities	About 76% employees switch job because of better opportunities in other rival companies.
5	Job security	60% employees feel they are not secure about their jobs

CONCLUSION

- ▣ The study helps find out the major segment to focus for employee retention programs which lies in the age category of 25-30 and population with experience of 2-5 yrs.
- ▣ Given the growing needs for organizations to retain its best employees in the face of competition, the findings of the study suggest that certain factors are crucial in influencing employees decision to either leave or remain in industry; These are HR Policies, Compensation & benefits, Work Pressure & Culture and Relations with superior.

RECOMMENDATIONS

- ❑ Best employee reward programs: If these rewards are in terms of as well as vacation trips or company sponsored recreational programs which can also help in CSR activities
- ❑ Loyalty bonus:
 - After successful completion of a specified period of time in an organization rewarding employees
 - and linking bonus with no of years of experience in organization.
- ❑ Working conditions : Management should be flexible with the working hours so that it suits the domestic needs of the employees.
- ❑ It is not only important for management to understand their role in retaining employees, but also they must pass this knowledge on to their supervisors so they too can understand how to motivate and treat people with respect.
- ❑ Exit interviews need to be conducted and they need to be reviewed by upper management

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Questionnaire

•Age Group

20-25

30-35

25-30

35 above

•Qualification

Diploma

Graduation

Post Graduation

•Experience

>1 year

5-10 years

2-5 Years

<10 years

•To what extent do you agree with following statements,

1

2

3

4

5

Strongly

Disagree

Strongly

agree

I would like to retain in the same organization if,

A	My Salary is at par with others at the same level doing similar job	
B	I am getting Adequate perks	
C	I am getting flexible work hours	
D	My company is having good response to employee grievances	
E	I am getting better work opportunity	
F	Stress related to target completion is minimum	
G	I am having Compatible immediate superior	
H	I am getting recognition and rewards for my work and contribution	

I	I am able to meet the quality standards of the organization.	
J	I will get post retirement benefits	
K	Communication to superior is easy	
L	My work is praised by superiors	
M	My company avoids Unnecessary paperwork	
N	My Company is taking Efforts to keep the workforce motivated	
O	My company offers overseas trips (formal/informal)	
P	I am having Security of job	
Q	My company offers fixed monthly targets	
R	My company offers healthy competitive environment	

▪According to you, what might be the probable reasons which encourage to leave the organization?

THANK YOU