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## Research Article

### A STUDY ON EMPLOYEES' PERCEPTION ON RETENTION STRATEGY BASED ON PRESENT WORKING ENVIRONMENT IN BEVERAGE INDUSTRY IN CHENNAI

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#### ABSTRACT

Employee Retention has great significance in the corporate psyche and it plays a vital role in holding positions and maintaining market share for the organisation. The HR department is seeking more practices to the effective retention of the employees through synchronizing all of the activities to the achievement of their day to day productivity. Retention is nothing but making all employees with competence and dynamic performance layer which is widely used things to the sustainable development of the organisations. The present work environment contributes the fruitful retention and made many more wonders in the organisation.

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## INTRODUCTION

Employees are key assets to any organisation as they are a basic drive to the organisation to its achievement and reaching competitive advantages. Employee Retention takes of retaining customers and it is evident gaining confidence from the investors and other stakeholders. The researcher attempts to understand the perception of employees working in beverage industry on retention strategy based on the working environment.

In Tamil, one famous proverb says – Work Place is a Temple and Work is like God. The employees and the Business people in the Eastern countries like India have always considered the work is Worship. The effective and enthusiastic working environment will bring retention of talent and bring smooth relationships among the employees and ensure complete employee engagement. High employee retention will create the best performance and retained employees could synchronise their organisation, in fact, an adage says Work Place is Second Home. Ultimately the organisation could have Trustworthy employees which will create the Best Work Environment and culture.

Harcha Bhaskar (2013) attributed in FnBnews as the Indian Beverage Association expects the country's beverage industry

to continue to grow in double digits. As hydration is important for human body, consuming beverages are inevitable and due to work life changes and urbanisation, the contribution of beverage industry is very much important and considering this scenario the researcher has opted this research.

#### Employee Retention

Employee retention means the capability of an organisation to keep its employees for a long run. " Employee retention is a process in which the employees are motivated to remain with the organisation for the maximum period of time or until the completion of the period" (A.Jennifer Paul and Dr.S.Isac Athisayam, 2014, p.4). Employees are the fuel of any organisation, without keeping right talent, no organisation will grow. High turnover will lead to many undesirable consequences ranging from the instability of Work Environment to revenue loss (Alok Nigam, 2015).

#### Work Environment

Work Environment is fundamental and it covers many aspects such as learning opportunities, policy wikification, employee recognition, approach by the management, motivation, brand image, culture etc. Employees need work-life balance and fun and laughter environment. Happy employees will give the best productivity. Spector (1997) advocated that once the

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employees start to feel the management creates a situation as the employees are important, they will have a high level of attraction and sense of ownership to their management.

### **Need of the Study**

Empirical reviews showed that organisations should understand the seriousness of creating the best work environment in order to retain best talents. The beverage industry is being a seasonal business, it is keen retaining talents in the particular tenure to run the business without disturbance. As attrition intends heavy damages in seasonable business, it is recommended that the management needs to provide proper opportunities and to create fantastic environment and culture. Losses in the trained talent disrupt the customer relationship and deliverables. Management that does not develop strategies for employee retention may find themselves with pervasive talent shortages for filling the vacant positions and or newly developed positions.

### **Objectives**

1. To analyse employees' perception on present working environment
2. To find the feasible suggestion to create the best working environment towards improving employee retention.
3. To examine the retention practices of Indian beverage industry in the light of present working conditions of the organization

### **REVIEW OF LITERATURE**

Daisy Ofosubene Kwenin (2013) analysed the relationship between work environment and career development are significantly affecting employee retention and providing attractive work environment to the employees to boost their intention to stay with the same organization.

Chandrasekar (2011) advocated that the management needs to pay attention to creating a good work environment towards reaching targeted productivity and to enhance profitability. It gives job satisfaction to all and the concerned HR department needs to maintain a harmonious relationship with all employees which will improve the performance of the management.

Ramlall (2003) expressed in his article "Managing Employee Retention as a Strategy for Increasing Organizational Competitiveness" about the importance of realizing the employees' requirements by the management and the aim of the study is to assess the impact of the present working environment and frame suitable retention strategies for the accomplishment of organizational goals. The organization has to support the employees to perform well. The support from the organization is like a nutritious food to the body, it will energize our body system like the way the organization support will give a new trust and confident in the minds of the employees and surely they will enhance their productivity by their contribution.

Hewitt, P. (2002) has conducted a study on "High-Performance Workplaces: The Role of Employee Involvement in a Modern Economy". The purpose of the study is to find out the advantages of the workplace for high performance and to

assess the impact of retention variables among employees. The author discussed the multidimensional facts of the variables. It includes dream job, attractive salary, good environment, interesting portfolio and like-minded fellows as co-workers. Among many variables, the working environment will be the predominant variable and which is attracting people and retain them. The research findings suggest that management has to fulfil the employees' expectations for the effective execution of the retention. The study also suggested to the management has to maintain a good relationship with their employees.

Wells, M., & Thelen, L. (2002) have studied about the workplace thought about employees in their study "What does your workspace say about you? The influence of personality, status and work space on personalization. The main purpose of their study is to assess the communication in the workplace and how the way it will be supporting to the retention. In this study authors found the retention decrease the loss of the organization by retaining competent employees with the organisation. The findings of the study show that the retention increases the productivity and profitability of the organization. Some extent retention practices are challenging to management. In that the excellent working environment playing a vital role and which will reduce the burden of the managers in the retention. Also, this study suggested the reward system for the retention management.

Davies. D. *et al* (2001) have expressed "The role of appraisal, remuneration and training in improving staff retention in the Western Australian accommodation industry, the aim of this study is to explain the impact of appraisal system in the retention of employees and assess the impact of training on skill development as well as remuneration impact on the employees' performance. The authors selected 150 professionals from Western Australian accommodation industry as sample size and they took ANOVA, Correlation, and Regression analysis for the statistical part to find the results. The findings of the study suggest the remuneration and reward system will be the predominant variables on the retention. The authors suggested that the reward and remuneration to the employees will make them contribute to the organisation's success.

Stauss *et al* (2001) have conducted a research on "Retention effects of a customer club". The objectives of the study are to assess the impact of retention on customer service and to assess the performance of employees in customer club. The authors selected 120 employees as sample size and they used ANOVA and Correlation. The findings of the study show that the retention-oriented employees are dedicatedly working. The retention improves customer satisfaction because of the extensive service is done by the employees and it will increase the commitment and trust among the employees.

Miller *et al* (2001) have explained the importance of workplace in his study "Sense of place in the workplace: The relationship between personal objects and job satisfaction and motivation." The objectives of the study are to assess the suitable workplace for the better performance and suggest feasible solutions to the effective implementation of the retention strategies. Employees are highly inspired by the management through the excellent working environment. It makes them feel belongingness.

**Table 1** Age and Present Work Environment

Age	Excellent (119)		Good (136)		Average & Below (74)		Total		Chi-Square test value	Df	P – value
	No.	%	No.	%	No.	%	No	%			
18-31	49	30.1	78	47.9	36	22.0	163	100	14.186	4	.007
32-43	53	38.1	50	36.0	36	25.9	139	100			
44-62	17	63.0	8	29.6	2	7.4	27	100			

The present working environment was really good means, that place is a heaven to work.

The working environment includes safety, smooth relationship with other fellow co - workers and organization with good human resource policies and practices and also made a place for job satisfaction and engagement. To retain them apt approaches and control in the work environment has to maintain, it will boost up the employees’ self-motivation and they will perform in excellence manner for a long period.

Lockwood and Anari (1997) have done a research on factors influencing retention strategies for IT professionals in the USA and U.K. The purpose of the study is to analyse various factors influencing the retention strategies and to assess the effectiveness of the retention practices followed by the organization. The study shows that salary and monetary related benefits playing a vital role in the retention of employees. The training for development will increase the market value of the employees and organization’ reputation working conditions are all some factors influencing retention. The retention strategies successfully decrease the intention to quit the organization among employees.

**METHODOLOGY**

The researcher used a random sampling method to collect data from the selected three beverage industry located in Chennai, Tamil Nadu, India, Used structured questionnaire to collect primary data from 329 respondents. The Secondary data has been collected from articles, websites, books etc. For the statistical analysis, the researcher used Chi-Square analysis using SPSS software.

From the above Table-1, chi-square tests between Age and Present Work Environment among respondents in the beverage industry. It is noted from the table chi-square value is 14.186 and the corresponding p-value is 0.007 which is less than 0.01. Therefore Null Hypothesis is rejected at 1% level of significance. Hence it is concluded that there is strong association between age group and present working environment To understand the relationship between employees’ perception level and gender, a cross tabulation was framed. The employees’ opinion on the present working environment was observed in three categories as Excellent, Good and Average and below. From the above Table-2, a maximum number of respondents are male ie, 318 out of 329 and balance 11 are female. It is found that Male respondents 41.5% perceived Good and 37.4% of the male employees are perceived Excellent and 21.1% of the male respondents are perceived average and below. In the Female category, 63.6% are perceived average and below and the balance 36.4% of female respondents are perceived Good and No one is for Excellent.

It is exhibited that chi-square test between gender and opinion about present work environment among respondents in the beverage industry. It is noted from the table, chi-square value is 12.750 and the corresponding p-value is 0.002 which is less than 0.01, therefore, Null hypothesis is rejected at 1% level of significance. Hence it is concluded that there is a strong association between gender and present work environment.

To know the relationship between employees’ income and the present work environment, the above cross tabulation was framed.

**Table 2** Gender and Present Working Environment

Gender	Excellent (119)		Good (136)		Average & Below (74)		Total		Chi-Square test value	Df	P – value
	No.	%	No.	%	No.	%	No	%			
Male	119	37.4	132	41.5	67	21.1	318	100	12.750	2	.002
Female	0	0	4	36.4	7	63.6	11	100			

To know the relationship between the age of the respondents and their perception of the present working environment the above cross tabulation was framed. The employee's perception levels were divided into three categories namely Excellent, Good and Average and below. And the age of the respondents was grouped into three as 18-31, 32-43 and 44-62. From the above table, 47.9% of the respondents belong to 18-31, 36% belong to 32-43 age group and 29.6% of 44-62 group are perceived Good. 30.1% of the respondents belong to 18-31, 38.1% belong to 32-43 and 63% of respondents belong to 44-62 are perceived Excellent and 22% of 18-31 age group, 25.9% of 32-43 and 7.4% belong to 44-62 respondents are perceived average and below regarding present work environment in the beverage industry.

The perception level of the employees was divided into three categories namely Excellent, Good and Average and below. The income of the employees was classified into five categories namely Below 2 Lakhs, 2-4 lakhs, 4-6 lakhs, 6-8 lakhs and Above 8 lakhs. It is observed 41.7% of the respondents having an income level of below 2 lakhs are perceived Excellent, 40.5% are perceived Good and 17.8 percent felt average and below. It is identified 38.3% of the respondents are perceived Excellent, 37.7% felt as Good and 24% perceived average and below. Among the income group of 4-6 lakhs, respondents 52.6% are perceived Good, 29% are perceived Average and below and 18.4% are perceived Excellent. 50% of the respondents belong to 6-8 lakh income group felt Good, 29.2% felt Excellent and 20.8% are perceived average and below. Further, it is observed that 42.9% of the respondents belong to above 8 lakhs income group are

perceived Good, 38.1% are perceived Excellent and 19% are perceived average and below.

From the above Table-3, chi-square test between Income and Present Work Environment among respondents in the beverage industry is exhibited. It is noted from the table chi-square value is 8.549 and the corresponding p-value is 0.382 which is greater than 0.01. Therefore Null Hypothesis is accepted at 1% level of significance. Hence it is concluded that there is no strong association between income group and present working environment

**Table 3** Income and Present Work Environment

Income (in Lakhs) per annum	Excellent (119)		Good (136)		Average & Below (74)		Total		Chi- Square test value	Df	P – value
	No.	%	No.	%	No.	%	No	%			
Below 2 lakhs	35	41.7	34	40.5	15	17.8	84	100	8.549	8	0.382
2-4 lakhs	62	38.3	61	37.7	39	24.0	162	100			
4-6 lakhs	7	18.4	20	52.6	11	29.0	38	100			
6-8 lakhs	7	29.2	12	50.0	5	20.8	24	100			
Above 8 Lakhs	8	38.1	9	42.9	4	19.0	21	100			

**Table 4** Experience in the current organisation and Present Work Environment

Experience in current Organisation	Excellent (119)		Good (136)		Average & Below (74)		Total		Chi- Square test value	Df	P – value
	No.	%	No.	%	No.	%	No	%			
Below 5 years	49	34.2	65	45.5	29	20.3	143	100	9.465	8	.005
6-10 years	41	34.5	45	37.8	33	27.7	119	100			
11-15 years	15	39.5	14	36.8	9	23.7	38	100			
16-20 years	5	33.3	8	53.4	2	13.3	15	100			
Above 20 years	9	64.3	4	28.6	1	7.1	14	100			

To know the relationship between employees' experience in current organisation and the present work environment, the above cross tabulation was framed. The perception level of the employees was divided into three categories namely Excellent, Good and Average and below. Experience in current organisation of the employees was classified into five categories namely Below 5 years, 6-10 years, 11-15 years, 16-20 years and Above 20 years. It is observed 45.5% of the respondents having experience in the current organisation of below 5 years are perceived Good, 34.2% are perceived Excellent and 20.3% felt average and below. It is identified 37.8% of the respondents belong to 6-10 years experience in the current organisation are perceived Good, 34.5% felt as Excellent and 27.7% perceived average and below. Among the 11-15 years experience in current organisation group, 39.5% are perceived Excellent, 36.8% are perceived good and 23.7% felt average and below. It is identified that 53.4% of 16-20 years experience in the current organisation are perceived Good, 33.3% felt Excellent and 13.3% are perceived Average and below. It is observed 64.3% of the respondents belong to above 20 years experience in the current organisation are perceived Excellent, 28.6% felt Good and 7.1% are perceived Average and below. From the above Table-4, chi-square test between experience with current organization and Present Work Environment among respondents in the beverage industry is exhibited. It is noted from the table chi-square value is 9.465 and the corresponding p-value is 0.005 which is less than 0.01. Therefore Null Hypothesis is rejected at 1% level of significance. Hence it is concluded that there is strong association between experience in current organisation group and present working environment

## Suggestions

1. The beverage industry must pay good salary along with all monetary benefits to their employees based on the capability and performance.
2. The beverage industry must have to create feel free environment to enhance their performance. There must be a free situation to discuss the day to day activities of the organization.

3. The organization has to conduct good performance appraisal and assessment of employees must be genuine and the reward systems are purely based on the performance of the employees.
4. The organization should provide suitable and required training for the development of the organization as well as employees.
5. The feasible feedback system has to follow to rectify the problems of the employees.
6. The perfect two-way communication between the employees and management.
7. The employees should be enabled to continue their services in the same organization.

## CONCLUSION

Human Resources are a complex one and it is not an easy thing to understand. Human Resources are real Asset to any organisational sectors. In the 5'M' concept Men only acting and living element with the support, an organisation can accomplish it's all goals and objectives. So the organization needs to concentrate on employee retention. The growth of the organisation depends on the competency of their employees, if employees are retained for long run means goodwill of the organisation will be increased. But the most difficult task faced by an organisation today is retaining as well as keep them satisfied. This research paper reveals that the present working environment will be the predominant thing to retain their employees. If the working environment is comfortable then the employees are able to contribute to their organisation's success. This researcher's study highlight that the employee retention enhanced the job satisfaction. The

other factors such as flexible work environment, fun and enjoyable workplace, career opportunity, recognition, flex working hours etc are the key factors to enhance the retention of employees.

### Limitations

The research had been carried out in beverage industry focused on soft drinks (Non-alcoholic) located in Chennai. India and has its own limitations.

### Scope for Further Research

This research can be extended to another segment of Beverage industry ie for alcoholic beverages, health drinks etc.

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