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## **A STUDY OF STARTUPS' EMPLOYEE RETENTION**

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## ABSTRACT

It was India that first claimed the title of "nation" in the early twentieth century. After a significant increase in innovative startups and the beginning of this country, which is home to a new breed of youth startups, the Indian starting point has clearly developed to become the world's third largest form of technology startup since 2010. During the course of a year, the number of new businesses climbed by 40%, and it is predicted to reach 4,200 by the end of 2015. Trowner represents a significant financial burden on enterprises. Furthermore, it has a significant impact on the functioning of the organisation. High employee turnover also has a detrimental effect on the bottom line of the business. According to experts, it will cost twice as much as the pay of an employee to find and train a replacement for a lost post. Additionally, it can have a detrimental influence on the morale of existing employees, making it vital to understand the overall effectiveness of emphasising the necessity of turnover reduction. The purpose of this study is to better understand the consequences of startup companies that retain their staff.

**Keywords:** Startup, Employee, Retention, India



## Introduction:

A startup firm (also known as a start-up or start-ups) is an entrepreneurial enterprise that strives to establish a new, rapidly developing business that must meet the needs of the market in order to develop or present a new product, process, or service to the public. A startup is typically a corporation, such as a small business, partnership, or organisation, that is formed with the goal of developing a scalable business model as quickly as possible. Startup companies frequently use technology, such as the internet, e-commerce, computers, telephones, or robotics, in their operations. Most of the time, these organisations are involved in the design and execution of novel procedures for target market development, verification, and research. Despite the fact that the introduction does not operate at all in the technology sector, the phrase was widely spread internationally during the dot-com bubble at the end of the decade of 1990, when a huge number of internet-based enterprises were founded.

**Employee engagement:** The organization's ability to engage, maintain and adapt the values of employees, how well the job is prepared, how employees are used, and commitment and support staff to be shown to employees by the management will be motivated in organizations

## RESEARCH OBJECTIVE

1. To understand how employee turnover affects a startup.
2. The purpose of this study is to look into the elements that contribute to staff turnover in small enterprises.

## SAMPLE SIZE

200 employees working in the early days of Gujarat will contact for this study

## TOOLS FOR ANALYSIS

Customers' purchasing activity can be analysed using a variety of ways. The SPSS software with percentages and Chi-Square were utilised by the researcher.



## LITERATURE REVIEW

Many factors influence businesses in various industries, and they are mostly the same across the board. Companies' strategies for controlling it, on the other hand, may differ.

In 2012, Lina James and Lissy Mathew performed research on employee retention strategies in the IT business. The goal of this study was to see how retention tactics affected employee retention in India's IT industry. The high personnel turnover organisation has an influence on production and stability. A survey questionnaire was distributed to workers of NSE-listed IT businesses and members of NASCOM in Bangalore, and 225 responses were received. The mean and standard deviation were the most common descriptive statistics used to examine the data. The conclusion shows that retention tactics have an effect on the intention to stay flexible work arrangements were deemed a significant technique. In terms of retention methods, reward and acknowledgment for good performance was deemed more effective and mandatory by respondents.

Several research on its effects on overall performance have also been conducted. In their work "employee turnover and organisational performance: analysis of Brazil's retail sector," Louisiana Carvalho and Siro Barbosa investigated the impact of employee turnover on organisational performance in 2015. The purpose of this study is to examine the relationship between employee business and retail sales success. After analysing data from a firm with multiple similar branches, it was revealed that stores with reduced staff turnover performed better financially and organizationally. The management report and information system provided the data for this study. The descriptive analysis technique was the major tool used to analyse the data. According to empirical results, employee business and sales have a high negative correlation. Apart from that, it states that human resource management practises can be implemented because they are motivated and strategic in nature.

Jonathan Smith and Norbert Macro published a letter in 2014 titled "Discovery of Employee Engagement and Employee Business." Employee business is a complicated subject with numerous national and international effects from within the corporation as well as externally the largest. A questionnaire survey was conducted in a UK retailer by an employee who was also the survey's author. A response rate of 75 percent was achieved by sending out 85 questionnaires and receiving 64 back. Employee engagement and turnover have a high negative correlation, according to the research. However, the small sample size of this study was a major shortcoming.



In 2014, a letter titled "Person-Organization Fit and Turnover Intent: The Mediating Role of Employment Consumption" was released by Mumtaz Ali, Rohani Salleh, Mohammad Noor Rosli, and Haryana Harkan. An intermediary link in the middle was emphasised in this letter, highlighting the need of an individual organisational fit. As an arbitrator in the determination of employee turnover intentions, employee engagement could be employed. In this conceptual piece, Levin's social-based theory and field theory are both used as springboards for discussion. As a result of these findings, it is expected that employee engagement would have a significant impact on the relationship between a person and their workplace, fit and turnover intentions. Employees will feel more connected to their work when they have a better sense of purpose and psychological attachments (in terms of value and target compliance). A high-performing employee will be less likely to leave in the long run.

## DATA ANALYSIS

In order to keep your existing job, please list the following factors in order of importance.

"VARIABLE"	"RANK 1"	"RANK 2"	"RANK 3"	"RANK 4"	"RANK 5"
"Job satisfaction"	83	68	33	11	4
"Monetary Benefits"	23	40	66	31	39
"Working Environment"	58	43	83	9	6
"Career development"	85	66	35	9	4
"Relationship with superiors"	38	25	81	19	36
"Relationship with co-workers"	45	23	84	24	25
"Job security"	82	69	35	9	6
"Training Programme"	27	36	68	31	39
"Motivation"	63	38	85	10	5
"Appreciation"	56	34	85	13	13

What would be type of reward that should be received for the good work?

"VARIABLE"	"FREQUENCY"	%
"Appreciation"	20	11%
"Bonus"	30	15%
"Promotion"	49	25%
"Incentives"	38	19%
"Allowances"	11	6%
"Salary Hike"	52	26%
<b>TOTAL</b>	<b>200</b>	<b>100%</b>



"PARAMETERS"	"Strongly Agree"	"Agree"	"Neutral"	"Disagree"	"Strongly Disagree"
"Express your level of satisfaction regarding the welfare measures provided by the Company?"	22	51	74	31	22
"Do you satisfied with the salary and incentive as per your work load?"	28	58	64	35	15
"Do you satisfied with the working environment of the company?"	39	65	66	24	6

## CONCLUSION

According to the data, the majority of respondents are satisfied with the company's work environment. Employees are satisfied with their pay and benefits in relation to their job load. The company's welfare efforts have received a neutral degree of satisfaction from respondents. For the employee to work as a reward for his delegation, a raise in salary is a vital aspect. Job satisfaction, career advancement, and job security influence the decision to stay with the same firm, followed by inspiration, work environment, gratitude, co-worker relationships, training programmes, and executive relationships.



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