



VIDHYAYANA

ISSN 2454-8596

www.vidhyayanaejournal.org

An International Multidisciplinary Research e-Journal

A STUDY EMPLOYEE RETENTION IN STARTUP COMPANIES



Bhavik U. Swadia

S.M.Patel Institute of Commerce
Ahmedabad

VIDHYAYANA



VIDHYAYANA

ISSN 2454-8596

www.vidhyayanaejournal.org

An International Multidisciplinary Research e-Journal

ABSTRACT

India has actually become a 'nation' in the beginning. Since 2010, the Indian starting point of view has seen a tremendous growth in innovative startup and the beginning of this country, which is home to a new breed of youth startup, evidently developed to become the third largest form of technology startup in the world. Within a year, the number of start-ups has increased by 40% and by the end of 2015 it is expected to exceed 4,200. Trowner is a very expensive case for organizations. And it greatly influences the organization's performance. High employee turnover also damages the bottom line of the company. Experts estimate that there is twice the cost of an employee's salary to find and train a replacement. And it can also harm the morale among the remaining employees, so it is very important to understand the overall effectiveness of strengthening the importance of controlling turnover rates. This study will try to understand the effects of startup companies which maintain employees.

Keywords : Startup, Employee, Retention, India



VIDHYAYANA



VIDHYAYANA

An International Multidisciplinary Research e-Journal

ISSN 2454-8596

www.vidhyayanaejournal.org

INTRODUCTION

A startup company (startup or start-up) is an entrepreneurial enterprise that aims at a new emerging, fast-growing business that needs to meet the market's needs to develop or present a new product, process or service. Startup is usually a company such as a small business, partnership or an organization designed to develop a scalable business model faster. Often, startup companies deploy technology, such as internet, e-commerce, computer, telecommunications or robotics. These companies are usually involved in the design and implementation of innovative processes for development, verification and research for target markets. Although the introduction does not work at all in the technology sector, during the dot-com bubble at the end of the decade of 1990, the word was widely developed internationally, when a large number of internet based companies were established.

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



VIDHYAYANA

RESEARCH OBJECTIVE

1. To understand the effect of turnover on startup.
2. Checking factors that attract an employee to join the startup
3. To check the factors that cause employee turnover in startup

SAMPLE SIZE

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

TOOLS FOR ANALYSIS

Many techniques are used which can be used to analyze the purchase behavior of customers. The researcher used the SPSS package with percentage, and Chi-Square



VIDHYAYANA

An International Multidisciplinary Research e-Journal

ISSN 2454-8596

www.vidhyayanaejournal.org

LITERATURE REVIEW

There are many factors affecting businesses in the industries and they are primarily the same in all areas. However, the strategy followed by companies can be different for controlling it.

In 2012, Lina James and Lissy Mathew did a study on employee retention strategies in the IT sector. This was done primarily to understand the impact of retention strategies on employee retention in IT sector in India. There is an impact on the productivity and stability of the high employee turnover organization. A survey questionnaire was arranged for employees of IT companies listed in the NSE and members of NASCOM located in Bangalore and a total of 225 answers were collected. To analyze the data, descriptive statistics mainly meant mean and standard deviation. Conclusion proves that there is an effect on the intention of retention strategies to remain Flexi work arrangements were considered to be an important strategy. And reward and recognition for good works was considered more effective and compulsory for respondents in relation to retention strategies.

Several studies have also been done to study its effects on overall performance.

In 2015, Louisiana Carvalho and Siro Barbosa studied the impact on the organizational performance of employee turnover in their paper "employee turnover and organizational performance: study of Brazil's retail sector". This study mainly checks the relationship between employees' business and performance in retail sales. Data from a company with many comparable branches was collected and it was tested that there were better financial and organizational results in fewer employee turnover stores. The figures used in this study were obtained from the management report and information system. The main tool used for data analysis was descriptive analysis. Empirical results show a strong negative relationship between employee business and sales. Apart from this, it further states that human resource management practices can be employed on the basis of their inspiration and strategic alignment.

In 2014, Jonathan Smith and Norbert Macro wrote a letter "Discovery of Relationship Between Employee Engagement and Employee Business. The business of the employee is a complex issue and there are many factors that many national and international influences from within the organization and externally the largest In a UK retailer a survey was collected through questionnaires, where an author was an employee. 85 questionnaires were issued and 64 came back, which and 75% represent the reaction rate. The result is conclusively concluded that there is a high negative correlation between employee engagement and



turnover. But a major limitation of this research was its small scale study.

In 2014, Mumtaz Ali, Rohani Salleh, Mohammad Noor Rosli and Haryana Harkan wrote a letter on "Person-organization Fit and Turnover Intent: The Mediating Role of Employment Consumption". This letter mainly highlighted the need for an individual organization fit and intermediary link in between. Turnover intentions, and also suggests the integration of employee engagement as a possible arbitrator factor. It is actually a conceptual paper based on a social based theory and field theory of Levin. It was concluded that the employment engagement will mediate the relationship between the person-organization, fit and turnover intentions. Individual organization will provide more meaning and psychological attachments (in terms of value and target conformity), which will then lead individuals to higher level employee engagement. In the long run, the chances of leaving an employee with a high level of employee will be less.

DATA ANALYSIS

Please give rank to below factors which influence on your intention to stay at your current company

VARIABLE	RA NK 1	RA NK 2	RA NK 3	RA NK 4	RA NK 5
Job satisfaction	84	67	34	10	5
Monetary Benefits	24	39	67	30	40
Working Environment	59	42	84	8	7
Career development	86	65	36	8	5
Relationship with superiors	39	24	82	18	37
Relationship with co-workers	44	24	83	25	24
Job security	81	70	34	10	5
Training Programme	26	37	67	32	38
Motivation	62	39	84	11	4
Appreciation	55	35	84	14	12



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

VARIABLE	FREQUENCY	%
Appreciation	21	11%
Bonus	29	15%
Promotion	50	25%
Incentives	37	19%
Allowances	12	6%
Salary Hike	51	26%
TOTAL	200	100%

Express your level of satisfaction regarding the welfare measures provided by the Company?

VARIABLE	FREQUENCY	%
Strongly Agree	22	11%
Agree	51	26%
Neutral	74	37%
Disagree	31	16%
Strongly Disagree	22	11%
TOTAL	200	100%

Do you satisfied with the salary and incentive as per your work load?

VARIABLE	FREQUENCY	%
Strongly Agree	28	14%
Agree	58	29%



VIDHYAYANA

ISSN 2454-8596

www.vidhyayanaejournal.org

An International Multidisciplinary Research e-Journal

Neutral	64	32%
Disagree	35	18%
Strongly Disagree	15	8%
TOTAL	200	100%

Do you satisfied with the working environment of the company?

VARIABLE	FREQUEN CY	%
Strongly Agree	39	20%
Agree	65	33%
Neutral	66	33%
Disagree	24	12%
Strongly Disagree	6	3%
TOTAL	200	100%

CONCLUSION

Data analysis can be concluded that most respondents are satisfied with the work environment of the company. Employees are somewhat satisfied with the wages and incentives as per their work load. Respondents have given a neutral level of satisfaction about the welfare measures provided by the company. Salary increase is an important factor for the employee to work as a reward for his delegation. Job satisfaction, career development, job security affect the decision to stay in the same company, followed by inspiration, work environment, appreciation, relationship with co-workers, training programs, relationships with senior executives.



VIDHYAYANA

ISSN 2454-8596

www.vidhyayanaejournal.org

An International Multidisciplinary Research e-Journal

REFERENCE

- De Mesquita Ferreira, L. C., & de Aquino Almeida, C. B. (2015). Employee Turnover and Organizational Performance: a Study of the Brazilian Retail Sector. *Brazilian Business Review (English Edition)*, 12(4), 27-56.
- James, L., & Mathew, L. (2012). Employee Retention Strategies: IT Industry. *SCMS Journal Of Indian Management*, 9(3), 79-87.
- Memon, M. A., Salleh, R., Baharom, M. R., & Harun, H. (2014). Person-Organization Fit and Turnover Intention: The Mediating Role of Employee Engagement. *Global Business & Management Research*, 6(3), 205-209.
- SMITH, J., & MACKO, N. (2014). Exploring The Relationship Between Employee Engagement And Employee Turnover. *Annamalai International Journal Of Business Studies & Research*, 6(1), 56-69.



VIDHYAYANA