



“Shocking Human Resource Strategy: High Attrition Rate”

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Abstract: Every organization may have own strategies to sustain for longer run in the market such as marketing strategy, finance strategy, HR Strategy etc. Some organizations are on the top because they value their employees and know how to keep them glad to the organization. But, high attrition rate is the hottest topic in the today's context. It can't be stopped without personal involvement of employer to satisfy employee's personal and professional needs. This paper studies sector and industry wise trends of attrition rate in India and Asia and it will be helpful to design present retention strategy and to minimize present employee turnover for the HR manager and employers by maintaining the skilled and talented manpower in the organization.

Keywords: Concept of Attrition, Present attrition rate in global scenario, different levels and sectors of employees, accession and separation rate in India.

I. INTRODUCTION

High attrition rate has become headache of public and private sectors of organization. As a HR Manager, it is complex task to avoid this problem and to sustain skilled and experienced people inside the organization. It is the costly decision of both the employee and organizational side. Employment is the mutual relationship between the employees and employer. Thus, there must be required to satisfy the expectation of your employees to achieve organization goal and efficiency. But, long working hours, low pay and small rewards are there. Then, people will shift from less packaged sector to high packaged sector.

II. CONCEPT OF ATTRITION

Attrition is the movement of people out of the organization. It is convenient to measure it by recording movements out of the firms on the assumption that a leave is eventually replaced by a new employee. The term separation is used to denote an employee who leaves for any reasons. It is also known as Labour Turnover. Labour Turnover is the rate of change in number of employees of a concern during a definite period.

Attrition Rate = No. of workers left during a period x 100 / Average no. of workers on roll during that period

III. PRESENT ATTRITION RATE IN GLOBAL SCENARIO

It becomes global challenge to retain the competent and talented personnel in the organization. Employees think to leave the organization due to certain reasons such as pay problems, further career, conflicts, induction crisis, improper involvement and not exit interview.

Industries with the highest turnover rates were services accommodation food and drinking places (35%), arts, entertainment and recreation (27%) and retail/wholesale trade (22%). Industries with the lowest turnover rates were high-tech (11%), state/local government (9%) and association – professional trade (8%) and utilities (8%). There was 15% average turnover across all industries in the world.

IV. OBJECTIVES OF THIS STUDY

1. To know about the attrition rate at different levels of the employees and at different sectors of India.
2. To examine the accession and separation rate and sector wise labour turnover in India.

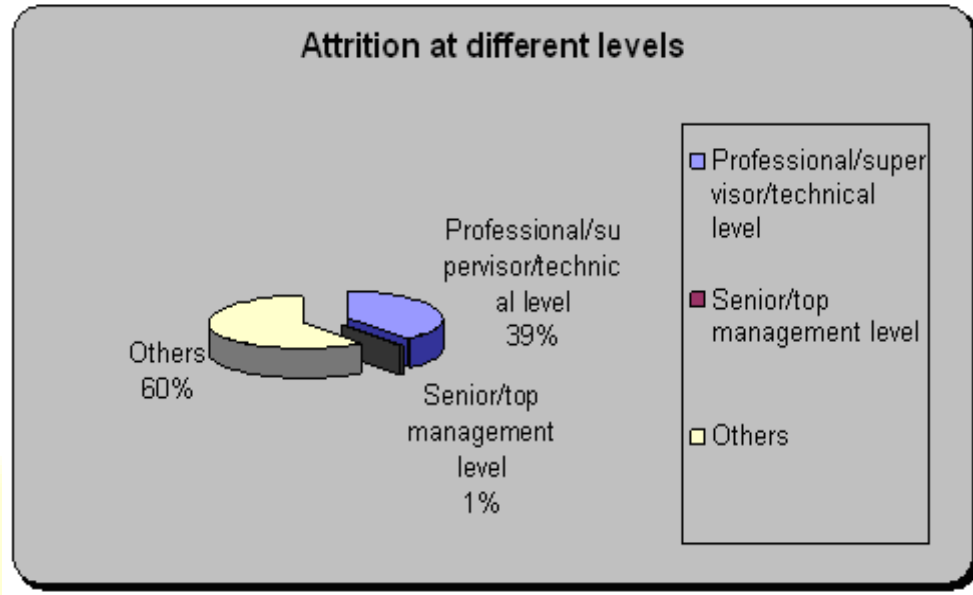
V. RESEARCH METHODOLOGY

3. Type Of Sampling – Non-Probability Sampling
4. Types Of Research – Comparative analytical study
5. Sample Selection – Convenient based sampling
6. Research instrument – Bar & Pie charts
7. Collection Of Data – Secondary way

VI. DATA ANALYSIS & INTERPRETATION

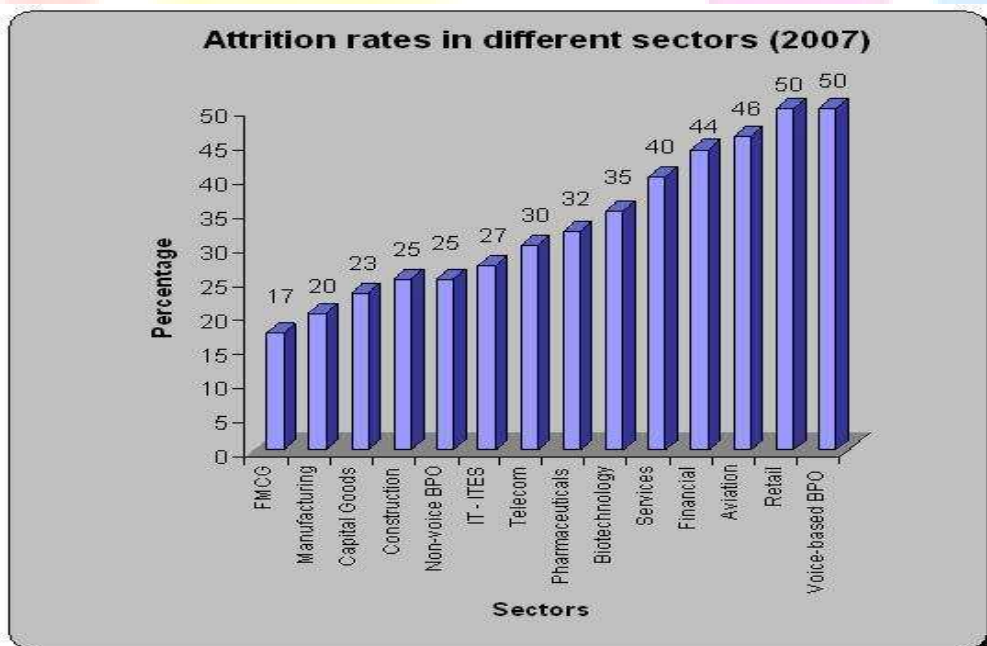
1. To know about the attrition rate at different levels of the employees and at different sectors of India.

A. Attrition at different levels of employees



Interpretation – As per above pie chart, attrition is highest one with 60% at the lower-middle level of the organization in India. While, there is 39% attrition at professional and technical level of organization. But, there is only 1% attrition at senior or top level management of the organization.

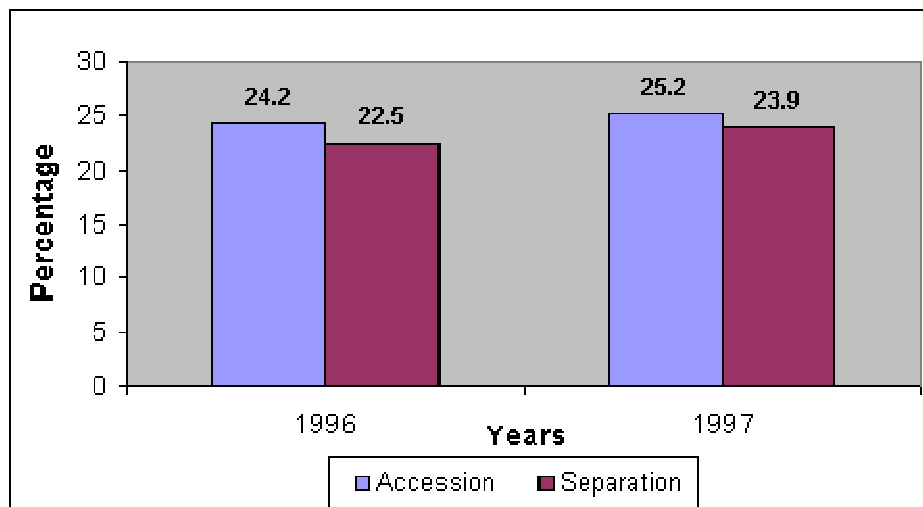
B. Attrition at different Sectors of India



Interpretation – As per above bar chart, attrition rate is the highest one with 50% in retail and BPO sectors in India. While, there is lowest one with 17% and 20% in FMCG and Manufacturing sectors in India.

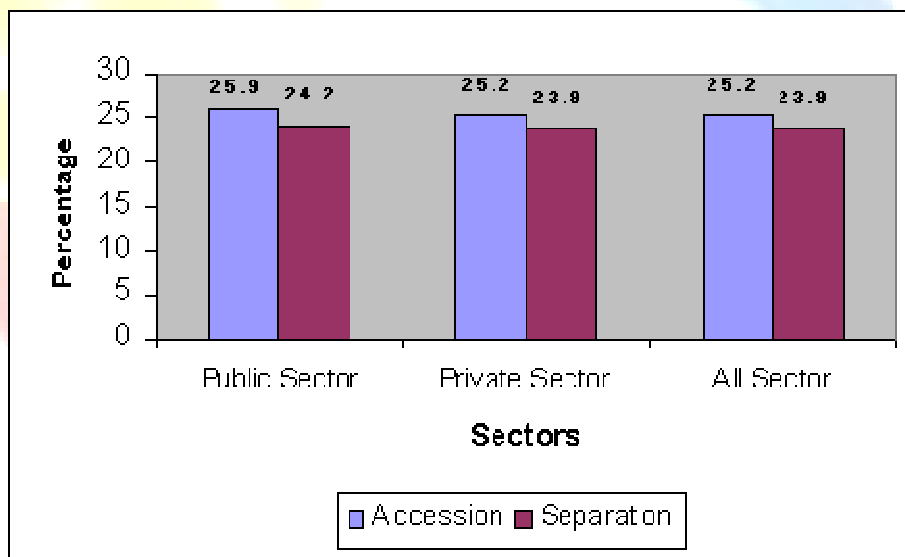
2. To examine the accession and separation rate and sector wise labour turnover in India.

C. Accession & Separation rate in India



Interpretation – Here, there is given the comparison of accession and recession rate between two consecutive years. As per above data, there are increasing accession and separation rate from 1996 to 1997 in India. Thus, there is no much difference between accession and separation rate of India.

D. Sector wise labour rate in India



Interpretation – As per above bar chart, there is mentioned sector wise labour accession and separation rate in India. Now, there is similar accession rate among the public and private sector but high recession rate in private sector with compare to public sector in India.

VII. FINDINGS & SUGGESTIONS

1. Different levels of employees may think about to leave at different sectors in India. There is high attrition rate with 39% at technical and professional levels in India. Because, competitors are hiring technical people with good packages. So, they are attracting more and more in high packaged sectors like BPO and retail while, there is less attrition rate in FMCG and marketing sector due to high satisfaction of employees.
2. There is no more difference for accession rate between the public and the private sector of India but, recession rate is high in private sector 23.9 % with compare to 24.2 % of public sector in India. Because, people expect good financial and non-financial motivators in private sector. But, they fail to satisfy the competent and experienced employee needs.



VIII. CONCLUSION

Attrition is the part of life cycle of the organization. It is difficult issue but not uncertain task of the organization. There must be required to involve the representatives of your employees in decision-making and try to identify the needs of your present talented employees at all levels of the organization. Thus, this burning issue can be cooled and to move it in to the accomplishment of the organizational goal.

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