

Organizational and Personal Perspectives on Employee Retention

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Abstract

Companies must be able to foresee technological advancements and compete with other firms throughout the world in this dynamic modern economy. Due to this requirement, a company's capacity to improve over time through the learning and growth of its workers is crucial. Because employees' knowledge and abilities are essential to a company's ability to be economically competitive, finding and keeping skilled workers is a crucial step in this process. This study focuses on the organisational and individual elements that affect employee retention because it is crucial for a company's operation and competitiveness. Employee learning is given specific attention because it is considered to be an activity that supports retention. 149 employees received questionnaires, and 51 employees had interviews. The quantitative results are illustrated and placed in context using the interviews. The findings demonstrate that staff stimulation and appreciation have a significant positive impact on employee retention. This outcome is in line with past research's conclusions. However, the retention advantages brought forth by personal growth open up new avenues for improving employee retention. Additionally, this study demonstrated how personality variations affect employee retention. Employee retention is positively correlated with leadership qualities and seniority, but adversely correlated with learning readiness and initiative.

Keywords: Employee Retention, Employee Development, Employee learning.

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Introduction

Employee retention is important to team building and cohesion in the workplace so workers can come to trust and depend on each other.

When talented employees leave an organisation, one of the biggest losses is diminished production and loss of competitive advantage. A company's capacity to fulfil its objective may be harmed by high personnel turnover rates due to disruptions in continuity, the loss of institutional knowledge, and the high costs of hiring new employees and providing them with training. Additionally, losing staff can weaken morale and encourage others to leave the company.

The influence on clients who discover they're dealing with a constant stream of different individuals is another unfavourable consequence of turnover. Consumers are frequently alerted by high turnover that there is a problem with the company or brand.

Review of Literature

Developing Employee Development and Retention Strategies

Employees that have a high level of organisational commitment identify strongly with the organisation, cherish the feeling of belonging inside, concur with its goals and value systems, are inclined to stay with it, and, finally, are willing to put up significant effort on its behalf.

Results & Discussion

The current study concentrates on the variables that affect employee retention. Both organizational and personal aspects are also considered. On the organisational level, the gap and appreciative methods will be operationalized in terms of the learning environment and workplace culture for employees. It is anticipated that each of these techniques will have a distinct effect on employee retention, with an appreciating approach positively affecting retention and a gap approach negatively impacting it. On a more personal note, we have made assumptions concerning the connection between high potential employee status and employee retention.

Investigations are also conducted into the effects of education level, kid count, seniority, age, and gender on employee retention. Because businesses spend more in high potential employees and because they have more responsibility, career prospects, and self-direction, it is anticipated that high potential employees will have a greater employee retention rate than non-high potential employees.

Based on and similar to the questionnaire's underlying assumptions, an interviewing guideline was created. Because the interviews were semi structured, there was room for extra inquiries and discussion points. Each interview lasted about 1 hour. The qualitative data will be used in a contextualised and illustrative way due to the small number of questioned employees.

Following a summary of the findings from the factor analyses, each finding relevant to the study topics is explored. Overall, one factor that accounts for 47.23% of the variance ($\approx .86$) was identified by the factor analysis of the measures measuring employee retention. The statement "I would stop working if I won the lottery or inherited a considerable sum of money so that I could live comfortably" had to be removed because it had little bearing on the issue of employee retention.

Some respondents distinguished between dedication to the organisation and commitment to the field of work, which is a significant extra feature that emerged from the qualitative data and is not captured by the single component. Employee retention is favourably correlated with both high levels of commitment.

Findings

The results of this study highlight the significance of taking into account both organisational factors (appreciation and stimulation, workload pressure) as well as personal factors (level of education, seniority, self-perceived leadership skills, and learning attitude) when examining employee retention. When identifying and satisfying the requirements of skilled workers in order to ensure their continued engagement with the workplace, the interaction between the organisation and the individual is essential.

The results could have been muddled by employers' unwillingness to disclose information on their high-potential employees and the use of the employees' own perceptions in this regard. Future study may find it interesting to examine this part of the research question using more objective criteria for recognising high potentials. Due to the paucity of prior research on learning-focused employee retention, the current study's questionnaire design was informed by the literature. The results that have been discussed are extremely intriguing and encouraging. However, additional study is required to confirm the factor structure and correlations identified.

Moreover, since all companies participated on a voluntary basis, most respondents received the questionnaire, e-mail or the intranet and had the opportunity to participate in the quantitative part of this research. Future research could investigate whether results are different when employees in different functions participate, what the differences are between the different groups of employees, and whether their function has a predictive value for employee retention. It would also be interesting to expand this qualitative part of the research to make a systematic analysis of the data possible.

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