

Human Resource Retention in Export-Oriented Garment Manufacturing: An Empirical Study of Strategies and Outcomes in Tiruppur City

Soham Sen¹, Srashti Choubey²

¹Head and Associate professor, Department of Commerce with International Business at Dr. N.G.P Arts and Science College, Coimbatore

²II - M.Com (IB), Student at , Dr. N.G.P Arts and Science College, Coimbatore

Abstract: *Employee retention is a conscious effort by employers to create a work environment that encourages employees to stay. This is accomplished by well-defined policies and procedures that address their various demands. An effective retention plan not only promotes workforce stability, but it also functions as a valuable recruitment tool, attracting top personnel. It is a known fact that retaining the best employees ensures customer satisfaction, satisfied colleagues and reporting staff, effective succession planning, and deeply embedded organizational knowledge and learning. This study tries to determine the various strategies adopted by garment exporters to retain their employees.*

Keywords: Employee retention, workforce stability, knowledge and learning

1. Introduction

The garment industry plays a vital part in global economy, it plays a significant role in the growth of many developing countries. Among these countries, garment exporters are a cornerstone of employment, driving economic growth and providing jobs to millions of workers. Employee retention refers to an organization's ability to keep its employees over time, minimizing turnover and ensuring a stable, skilled workforce. The loss of skilled employees can lead to reduced productivity, increased hiring costs.

Therefore, implementing effective employee retention strategies not only reduces costs but also contributes to long-term organizational success by ensuring a skilled, motivated, and loyal workforce. This project aims to explore and analyse the various employee retention strategies adopted by garment exporters to mitigate turnover and enhance workforce stability.

Objective

- This study aims to explore the various employee retention strategies adopted by garment exporters
- To find out the factors influenced on employee Attrition in Garment Industry
- To analyze the impact of Employee Retention Strategy adopted by garment companies

Statement of the Problem

The garment export industry faces high employee turnover, which poses significant challenges to businesses in terms of maintaining a skilled and stable workforce. High attrition rates lead to increased recruitment and training costs, disruptions in production, inconsistent product quality, and a lack of continuity in customer relationships. This study aims to identify the retention strategies adopted by garment exporters and evaluate their effectiveness in fostering a committed and skilled workforce, thereby contributing to the overall success of the business.

Research Methodology

The study was descriptive in nature and survey is used as a method to complete the study.

Research Design: Descriptive Research Design

Area of the Study: Tirupur

Sampling Technique: Simple Random Sampling Method

Data Collection: Primary Data

Sample Size: 136

Tools Used for Analysis: Simple Percentage Analysis, Correlation, Anova, Ranking Method

2. Review of Literature

Kuva's (2018) - Employee Recognition refers to the acknowledgment and appreciation of an employee's contributions, performance, or achievements by the organization. Recognition can be formal or informal and can take many forms, including verbal praise, awards, bonuses, promotions, and other incentives. It is considered a vital part of organizational behaviour and is closely linked to the psychological well-being of employees.

Greenhalgh & Rosenblatt (2021) - Job Security is a critical factor influencing employee retention, particularly in industries such as garment manufacturing, which is often characterized by fluctuating demand, seasonal variations, and labour-intensive work environments. Employees in the garment industry, especially in export-driven sectors, are particularly vulnerable to job insecurity due to the industry's reliance on low-cost labour and its sensitivity to global economic changes.

Dr Iqbal Sayeed (2021) found that companies offering flexible working hours, , and policies that promote a work-life balance are better at retaining employees. In the garment export sector, where long working hours and shift work are common, introducing flexible shifts or time-off programs allows workers to manage their personal commitments while maintaining productivity at work.

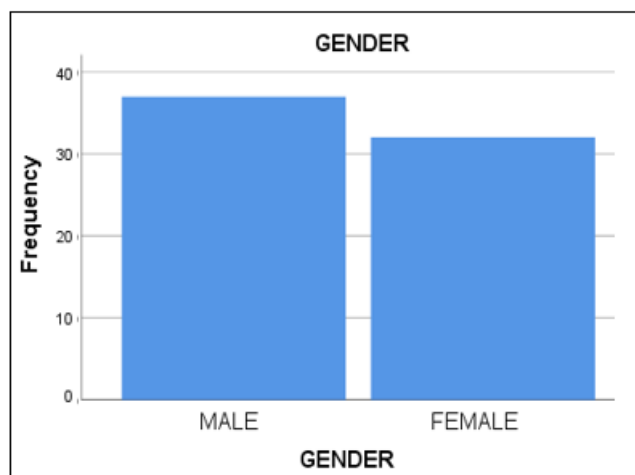
3. Data Analysis and Interpretation

Table Showing that Gender of the Respondents

S. No	Particulars	Percentage
1	Male	54
2	Female	46

Interpretation

The Table shows that 54% of Respondents are Male and 46 % of Respondents are Female



Charts show the Gender of Respondents

Correlation

Variable	Pearson Correlation	Significant Level
AVGWE	.501	.002
AVGCB	.712	.000
AVGWB	.688	.000
AVGJS	.412	.000
AVGCD	.425	.001
AVGSM	.623	.000
AVGEM	.534	.000
AVGRANK	.288	.016
AVGEE	1	1

Interpretation

AVGCB	Sum of squares	df	Mean Square	F	Sig
Between Groups	333.261	12	27.772	4.879	0.000
Within groups	318.739	56	5.692		
TOTAL	652.000	68			

Compensation Benefits are highly correlated with Employees Engagement in employees retention ($r = 0.712$, $p = > 0.000$). Work life Balance shows that there is positive correlation with Employees Engagement in Employee Retention ($r = 0.688$, $p = > 0.000$) Safety Measure shows that there is positive correlation with Employees Engagement in employees retention ($r = 0.633$, $p = > 0.000$)

ANOVA

Compensation and Benefits and Employees Engagement

Interpretation

Since the p-value = 0.000 is lesser than 0.05, we reject the null hypothesis (H_0) and accept the alternative hypothesis (H_1). The analysis confirms that compensation and benefits

have a significant impact on employee engagement in garment exporting firms.

AVGCB	Sum of squares	df	Mean Square	F	Sig
Between Groups	285.871	11	25.988	3.105	0.003
Within groups	460.398	55	8.731		
Total	746.269	66			

Worklife Balance and Employees Engagement

Interpretation

Since the p-value = 0.003 is lesser than 0.05, we reject the null hypothesis (H_0) and accept the alternative hypothesis (H_1), it shows that there is a significant relationship between Worklife Balance and Employees engagement in garment export companies

Rank		
	Mean Rank	Rank
Salary	7.32	I
Job Security	6.70	III
Recognition	5.12	IX
Work Overload	7.28	II
Working Hours	5.18	VII
Career Growth	6.33	IV
Unfair Hr Policies	5.10	X
Personal Reasons	5.59	VI
Fear Conflicts With Co-Workers	5.17	VIII
Tolerance	6.25	V

Ranking Method

Interpretation

The table interpreted that lack on salary will (7.32) imposes the first rank, which shows that is the major challenge faced by Employees for their resignation and the unfair Hr policies imposes the Tenth rank (5.10)

4. Findings, Suggestion, Conclusion

Findings

Findings of Simple Percentage

Majority of respondents belongs to male (54%)

Findings of Correlation

- Compensation and Benefits (0.712) is highly Positive correlated with dependent variable Employee Engagement.
- Work life Balance (0.688) is highly Positive Correlated with dependent variable Employee engagement.

Findings Of Anova

Majority of the findings shows that working environment ($p = 0.000$), compensation and benefits ($p = 0.000$), work-life balance ($p = 0.003$), job security ($p = 0.000$), career development ($p = 0.000$), and safety measures ($p = 0.000$) all have a strong impact on employee engagement and retention.

Findings of Ranking Method

The table interpreted that lack on salary will (7.32) imposes the first rank, which implies that is the major challenge faced by Employees for their resignation and the unfair Hr policies imposes the Tenth rank (5.10)

5. Suggestion

- 1) From the above Findings By providing Competitive compensation benefits like basic salary, health benefits, shift base allowance, insurance facilities, exit pay out can reduces financial stress and allowing employees to focus better enhance employee retention and reduce Employees Attrition rate.
- 2) Organizations should focus on improving recognition programs by providing Monetary Recognition like Financial Benefits, Adequate Salary, Provision for Fringe Benefits and Non-Monetary Recognition like Promotions, Appreciation it may help to improve retention.
- 3) Salary Unfulfillment is the leading factor behind employee resignations So garment exporters should focus on offering competitive salaries may lead the employees to stay in organisations

Website

- [1] <https://scholar.google.com>
- [2] <https://onlinelibrary.wiley.com>
- [3] <https://questjournals.org>

6. Conclusion

- 1) The study on employee retention strategies adopted by garment exporters highlights the critical role of effective workforce management in sustaining productivity and competitiveness in the export sector.
- 2) Garment exporters that implement comprehensive employee retention strategies, including proper working environment, Compensation and benefits, Job security, Safety measures, Career development, Work life balance, employees engagement helps to improve higher workforce productivity.
- 3) Companies that focus on employee well-being and engagement witness improved morale, increased efficiency, and better product quality, contributing to a stronger competitive position in the global market.
- 4) The study concludes that investing in employee retention strategies not only enhances productivity but also ensures long-term business sustainability and profitability for garment exporters.

References

Journals

- [1] Sahil Goswami, A Study of The Various Employee Retention Strategies Adopted by IT Industry, International journal of Scientific research in Science and Technology
- [2] R. Bharathi" Employee Retention Strategies Adopted by Manufacturing Industries" Research Scholar Department of Management Sciences PSG College of Technology, Anna University Coimbatore, India, International HR Conference on "Navigating the Human Capital Management in the Digital Era"
- [3] Dr. Rana Zehra Masood, Strategies for employee retention in high turnover sectors: An empirical investigation, International Journal of Research in Human Resource Management 2024; 6(1): 33-41

Books

- [1] Never Lose an Employee Again - Joey Coleman
- [2] The Retention Process - Amanda J Painter and Brenda A Haire