



A STUDY ON EMPLOYEE RETENTION IN BANKING SECTORS IN THANJAVUR DISTRICT

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Abstract

The retention of employees has been shown to be significant to the development and the accomplishment of the organization's goals and objectives especially in building competitive advantage over other organization in the phase of increased globalization. Today, changes in technology, global economics, trade agreements, and the like are directly affecting employee/employer relationships thus leading to high employee turnovers thereby affecting employee retention in an organization. Retention becomes one of the biggest issues for the Banking sector in Thanjavur district because people are the one who generates profits and considered as the capital or asset of the organization. Few qualified employees have kept on moving from one bank to another in search of better employment terms. As such, human capital has turned out to be an important competitive tool in the banking sector which calls for proper management practices for these resources to ensure sustained bank competitive advantage.

The research adopted a descriptive research design. The target population of the study was 200 employees based at the Thanjavur district. The study applied proportionate convenience sampling technique to identify the sample size of the study. Primary data was collected using a questionnaire. For the evaluation and examination of primary data of this, research that was generated through a questionnaire, the Statistical Package for Social Sciences (SPSS) systematic computer software was used and it gave accurate results regarding the data. The study found that compensation of employee's training & development, employee's motivation, employee's promotion and employee's benefits are important in the organization since they greatly influence the organization performance. This study recommends this study should shed light on how to maintain and retain employee in an organization.

Key Words: Employee's Training & Development, Employee's Motivation, Employee's Promotion And Employee's Benefits.

1.1 Introduction

Human resources play a crucial role in the development process of modern economics. Arthur Lewis observed, "There are great differences in development between countries which seem to have roughly equal resources, so it is necessary to inquire into the difference in human behavior". It is often felt that though the exploitation of natural resources, availability of physical and financial resources and international aid play prominent roles in the growth of modern economics, none of these factors is more significance than efficient and committed manpower. It is in fact said that all development comes from human mind. When individuals come to their workplace, they come with not only technical skill, knowledge etc., but also with their personal feelings, perception, desires, motives, attitudes, values etc. They want that some of their needs should be satisfied through the organization for which they are working. There employee management does mean management of not only technical skills but also other of the human resources. After employees have been hired, trained and remunerated, they need to be retained and maintained to serve the organization better. Welfare facilities are designed to take care of the well being of the employees. They do not generally result any monetary benefit to the employees. Nor these facilities provided by employers alone.

Government and non-governmental agencies and trade unions too, contribute towards employee welfare. Welfare means faring or doing well. It is comprehensive term, and refers to the physical, mental, moral and emotional well being of an individual. Further, the term welfare is a relative concept, relative in time and space. It therefore varies from time to time; form region to region and from country to country. Labor welfare also referred to as betterment work for employees, relates to taking care of the well-being of workers by employers, trade union, and government and non-government agencies. Recently the organization has faced a strike which leads to stoppage of production for a few days. So the welfare measures giving in the company are very important factor to determine the labor turnover ratio. Especially the company deals with product which is very fundamental to automobile industry. So the significance of the study on welfare measures will surely help the company to solve the forthcoming negative solution.

1.2 Literature Review

There is an enormous quantity of academic literature obtainable on retention of employees that serve as the main variables of this research, whereas literature is also available on training, development and motivation which is being used as other



variable in this research. Employees' retention is major and vital issue facing in banking sector in Thanjavur district as there are many problems such as shortage of skillful employment and employee turnover.

According to Johnson (2000) Retention is to retain the skillful employees for a longer period than the competitors of the same market.

1.2.1 Retention of employees

Many organizations are now recognizes the bottom-line effect on retaining quality employees. When the employees feel satisfaction in job, they don't think about the leaving current job. Retaining quality performers(employees) quite simply adds to increase productivity and morale, while dropping the associated and related costs of turnover. According to Mike Poskey at *ZeroRisk.com*, seven (7) steps lead to increase employee retention:-It is necessary to conduct job analysis audit with behavioral assessment and cognitive reasoning assessments with skills assessments of an employee before he / she recruit for a job. It is also necessary to implement job-designed assessments with selection and recruitment process. Techniques of structured interview should be adopted to select right person for right job. Provide high quality of employee orientation and socialization. The employees that are hired by the organizations are resource for their future success. It is necessary to implement programs for their employee training and development. Professional development should be done for employee to show the commitment of an organization.

1.2.2. Employee Training

Learning process is called education and training that connect the acquirement of new knowledge, perfection in working skills, concepts, or changing of attitudes as well as behaviors to boost the working style and performance of each and every one employee. Companies spends some money on training, will achieve many more advantages. Training about knows the current situation where we place at present, and where we will be later on some point of time. For retaining employee, training could be an important tool; however it can be observed that the impact of training on reward of an employee could be very critical for retention. (Atif, Ijaz, Abdul, & Nadeem, 2011).

1.2.3. Employee Development

Employee development is a mutual and jointly efforts by an employee and organization through which an employee's skills, knowledge and abilities can be promoted. The balance between an employees' career need and organization's need is the successful development in the organization. A positive contribution in the performance of an organization is raised by the employee development. In fact, well skilled employees may achieve the targets within time that expand their experience and knowledge. Margie & Wilhelm (2004) made research and suggested that knowledge employees control their careers with different way. The self-determination is the strength and they understand it very well.

1.2.4. Employee Motivation

Motivation can classify as a process that support, initiate, help, guides and maintains people for goal-oriented behaviors. Motivation comes out from a Latin word mover, which means to carry or to move. Motivation is the power and energy that constantly induce and persuade to move and perform through an employee. It involves many things and effects, such as biological, emotional, societal and cognitive forces, which activate behavior of an employee. In everyday usage, this term motivation is frequently used to express why an employee does something. (Cherry, 2013).

1.2.4.1. Motivation Theories

Behavioral psychologists developed a variety of theories about motivation to understand the reaction of a person and how the motivation control human behavior. Three top most motivation theories describe us to understand and distinguish the practice and application of motivation in the working environment.

1.3 Objectives of the Study

The Objectives of the study is to identify the important and main factors that are affecting employee retention in the bank with particular reference to Thanjavur district.

1.3.1 The sub - objectives of the study are:

- To determine the indicator/factors that increase employees retention
- To observe the relationship among employee's training & development, employee's motivation, employee's promotion and employee's benefits with employees retention.
- Determine quantitatively antecedent factors and their relative contributions to the overall satisfaction of bankers in the local commercial banks.



- Estimate the impact of job satisfaction on the retention (intent to stay) of bankers in the field.

1.4 Statement of the Problem

This research explores the influence affecting on employee retention in banking sector a research question developed. This integrated perspective assumes that "What are main indicators affecting on employee retention?"

1.5 Scope of the Study

The scope of the study is to find out the measuring of employees satisfaction with help of the employee retention provided by banking sectors in Thanjavur district. In this study the researcher is to identify the development of career development facilities dependent upon their pay or salary, fringe benefits, efficiency in employment and co-worker relationship or association. The option given by the employees and management maintain a good strong relationship the scope of the study is to find out the measuring of grievance handling/procedure and approach of management with help of the employee retention in banking sectors.

1.6 Research Methodology

Research methodology is a way of systematically solve the research problem. It explains various steps that are generally adopted by the research in studying the research problems along with logic behind them. Research is essentially a systematic enquiry seeking facts through objective verifiable methods in order to discover the relationship among them and to deduce from the board principals or laws it is really a method of critical thinking, it comprise defining and redefining problems, suggestion solution, collecting, organizing and evaluating data making deduction and making conclusion.

1.6.1 Method of Data Collection

Data collection is in many ways more of an art than a science. Sometimes the data are available readily in one form or the other and sometimes they are to be collected a fresh.

The two important external source of data collection method for research are,

- Primary source of data
- Secondary source of data

1.6.2 Population

Population used for the study/research was all employees of public and private banks of Thanjavur district region of Tamil Nadu.

1.6.3 Sampling design

Sampling is a means of selecting a subset of units from a target population for the purpose of collecting information. This information is used to draw inferences about the population as a whole. The subset of units that are selected is called a sample. The sample design encompasses all aspects of how to group units on the frame, determine the sample size, allocate the sample to the various classifications of frame units, and finally, select the sample. Choices in sample design are influenced by many factors, including the desired level of precision and detail of the information to be produced, the availability of appropriate sampling frames, the availability of suitable auxiliary variables for stratification and sample selection, the estimation methods that will be used and the available budget in terms of time and resources.

1.6.4 Sample and sampling technique

A convenience sampling technique was used in this research to get response from the respondents who are now working in the banks. Finally, among all employees of banks working in Thanjavur district, 200 respondents were participated in the questionnaire of this research.

1.6.5 Instrument used and instrument development

This study was totally based on primary data. A questionnaire regarding the research was used as information / data collection tool. Questionnaire was consisted of 4 main parts which consisting 22 items. In the first section, questions regarding demographical information i.e. gender, age, marital status etc were also recorded. In the second section, seven questions were set to calculate variable "employee Training & development", next six questions were set to calculate variable "employee motivation" and next four questions were set to calculate variable "employee benefit" then next five questions were set to calculate variable "employee promotion. A scale with seven level of agreement was set up to rate the responses, as 1 is the lowest degree of agreement and 7 is the highest degree of agreement. This is also called 'psychometric scale', which measure attitudes & opinions by asking employees/people to respond to a series of question/statements about a subject matter. It is very useful for quantitative research.

All respondents were requested to check or tick mark to the answer of every question/statement that they think is the most suitable and “right” answer to the every question is truthful and frank response that is very necessary to reach perfect outcomes.

1.6.6 Data & Variables

For the purpose of data collection, this study was totally focused on the primary data collection method. Questionnaires have been circulated among the employees of different branches of different banks in Thanjavur district. In this research, four variables are considered, which are actually latent variables requires to measure indirectly through some indicators. Employee retention is set as a dependent variable whereas independent variables are employee’s training & development, employee’s motivation, employee’s promotion and employee’s benefits. Through these variables relationship among them variables have been checked.

1.6.7 Tools used

For the evaluation and examination of primary data of this, research that was generated through a questionnaire, the Statistical Package for Social Sciences (SPSS) systematic computer software was used and it gave accurate results regarding the data.

1.6.8 Limitations of the study

The respondents were reluctant in giving information fearing that the information asked would be used to intimidate them or paint a negative image about them or the company. The researcher handled this problem by carrying an introduction letter from head of the Institution and assured the respondents that the information they gave would be treated with confidentiality and was used purely for academic purposes. The study faced both time and financial limitations. The duration that the study was to be conducted was limited hence exhaustive and extremely comprehensive research could not be carried on perceived factors affecting employee retention at Thanjavur district Banks.

1.7 Data Analysis and Interpretation

Table – 3.1,Reliability statistics analysis for employee retention in banking sectors in Thanjavur district

Reliability Statistics	
Cronbach's Alpha	N of Items
.865	29

Descriptive analysis for employee retention in banking sectors in Thanjavur district

Table – 3.2,Descriptive analysis for employee retention in banking sectors in Thanjavur district

Factor	N	Mini	Maxi	Mean	Std. Deviation
The various type of training have taken applicable for the job after the training	100	1	7	4.97	1.480
The level of objective of the training	100	1	7	4.95	1.424
The training is increases the motivation to the job	100	1	7	4.80	1.263
Training are improves the skills, knowledge, attitude change, new capability	100	1	7	5.20	1.477
Opinion towards training helps to increase productivity	100	1	7	4.85	1.696
Level of satisfaction with the overall aspect of the training programs in the organization	100	1	7	4.89	1.595

After the training it reduces possible accidents	100	1	7	5.23	1.427
Top Management is interested in motivating the employees	100	1	7	5.16	1.398
Level of satisfaction with the working culture of the organization	100	1	7	5.84	1.419
Satisfaction of the incentives provided by the Organization	100	1	7	4.89	1.740
Level of satisfy with the working condition and salary	100	1	7	4.97	1.648
General manager is good in communicating information	100	1	7	5.40	1.511
It is essential for managers empower employees	100	1	7	5.23	1.399
Company has a written promotion policy	100	1	7	5.09	1.379
Job promotions are fair and equitable	100	1	7	4.87	1.612
Priority is given for seniority in promotion decision	100	1	7	4.85	1.617
Priority is given for merit in promotion decisions	100	1	7	5.16	1.461
The company provide fair Incentives, compensation etc.,	100	1	7	5.19	1.440
Leave benefits (including sick, vacation, personal, paid holidays)	100	1	7	5.25	1.473
Retirement plan	100	1	7	5.25	1.321
Health and related benefits	100	1	7	5.02	1.550
Employee assistance program (EAP)	100	1	7	5.49	1.382
The various type of training have taken applicable for the job after the training	100	1	7	5.41	1.342

Source: Output generated from SPSS 20

Inference

It is inferred that the employee retention in banking sectors in Thanjavur district is having least mean value of 1.263 is highly acceptable by the employee and the higher mean value (1.740) statement is “Employee Satisfaction of the incentives provided by the Organization” indicates that the respondents are accepting this statement only to a certain extent.

Factor analysis for the employee retention in banking sectors in Thanjavur district

KMO and Bartlett's Test

The dimensionality of employee retention in banking sectors in Thanjavur district was examined using factor analysis based on twenty two individual statements and the reliability of the subsequent factor structures was then tested for internal consistency of the grouping of the items.

The twenty two employee retention in banking sectors in Thanjavur district statements are related to the following:

1. The various type of training have taken applicable for the job after the training
2. The level of objective of the training
3. The training is increases the motivation to the job
4. Training are improves the skills, knowledge, attitude change, new capability
5. Opinion towards training helps to increase productivity
6. Level of satisfaction with the overall aspect of the training programs in the organization
7. After the training it reduces possible accidents
8. Top Management is interested in motivating the employees
9. Level of satisfaction with the working culture of the organization
10. Satisfaction of the incentives provided by the Organization

11. Level of satisfy with the working condition and salary
12. General Manager is good in communicating information
13. It is essential for managers empower employees
14. Company has a written promotion policy
15. Job promotions are fair and equitable
16. Priority is given for seniority in promotion decision
17. Priority is given for merit in promotion decisions
18. The company provide fair Incentives, compensation etc.,
19. Leave benefits (including sick, vacation, personal, paid holidays)
20. Retirement plan
21. Health and related benefits
22. Employee assistance program (EAP).

Table – 3.3, KMO and Bartlett's Test of employee retention in banking sectors in Thanjavur district

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.709
Bartlett's Test of Sphericity	Approx. Chi-Square	1.328E3
	Degree of freedom	231
	Significant	.000

Source: Output generated from SPSS 20

High value of KMO (0.710 > .05) of indicates that factor analysis is useful for the present data. The significant value for Bartlett's test of Sphericity is 0.000 and is less than .05 which indicates that there exists significant relationships among the variables. The resultant value of KMO test and Bartlett's test indicates that the present data is useful for factor analysis.

Table – 3.4, Total variance explained for employee retention in banking sectors in Thanjavur district

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.578	32.948	32.948	7.578	32.948	32.948	4.468	19.426	19.426
2	2.182	9.485	42.433	2.182	9.485	42.433	2.754	11.972	31.398
3	1.645	7.153	49.586	1.645	7.153	49.586	2.660	11.565	42.963
4	1.525	6.629	56.216	1.525	6.629	56.216	1.979	8.603	51.567
5	1.428	6.208	62.424	1.428	6.208	62.424	1.873	8.142	59.709
6	1.213	5.273	67.697	1.213	5.273	67.697	1.424	6.190	65.899
7	1.045	4.543	72.240	1.045	4.543	72.240	1.302	5.661	71.560
8	1.021	4.437	76.678	1.021	4.437	76.678	1.177	5.118	76.678
9	.840	3.651	80.328						
10	.699	3.038	83.366						
11	.664	2.886	86.252						
12	.504	2.191	88.443						
13	.472	2.053	90.496						
14	.451	1.962	92.457						
15	.391	1.700	94.157						
16	.325	1.414	95.571						
17	.294	1.279	96.850						

18	.215	.936	97.787					
19	.194	.845	98.632					
20	.112	.487	99.118					
21	.087	.379	99.498					
22	.078	.341	99.838					
Extraction Method: Principal Component Analysis.								

Source: Output generated from SPSS 20

All the statements of the employee retention in banking sectors in Thanjavur district are loaded on the seven factors.

Table – 3.5, Rotated Component Matrix of employee retention in banking sectors in Thanjavur district

Rotated Component Matrix ^a	Component							
	1	2	3	4	5	6	7	8
Priority is given for merit in promotion decisions	.828	.285	-.009	.299	.136	-.087	-.003	.017
Health and related benefits	.811	.028	.256	.086	.073	.134	-.083	.142
Leave benefits (Including sick, vacation, personal, paid holidays)	.801	.244	.211	-.126	-.024	.083	-.003	.097
Overall satisfaction of employees Retention	.794	-.080	.056	-.180	.176	-.016	.042	-.255
Level of satisfy with the working condition and salary	.782	.233	.230	.119	-.014	.116	-.102	-.082
After the training it reduces possible accidents	.749	.350	.010	.327	.182	-.089	.093	.067
Top Management is interested in motivating the employees	.302	.836	.096	.062	.068	.092	-.066	-.088
General Manager is good in communicating information	.216	.774	.231	.138	-.026	.105	-.068	.097
The company provide fair Incentives, compensation etc.,	.205	.664	.219	.042	.508	.087	-.084	.027
It is essential for managers empower employees	.049	.596	.395	-.221	-.164	-.023	.333	.027
Retirement plan	.125	.145	.852	-.018	.213	.149	-.129	.076
Company has a written promotion policy	.388	.184	.668	.252	-.100	-.133	.036	.014
Satisfaction of the incentives provided by the Organization	.111	.275	.636	.195	.242	.112	.099	-.061
Priority is given for seniority in promotion decision	.259	.214	.590	.379	.466	-.087	.095	.063
The various type of training have taken applicable for the job after the training	.039	.032	.187	.728	-.026	.089	-.223	-.187
The training is increases the motivation to the job	.043	-.017	.050	.648	.083	.316	.237	.210
Job promotions are fair and equitable	.343	.146	.383	.475	.019	-.220	.143	.184
Employee assistance program (EAP)	.053	-.059	.113	-.072	.856	.059	-.020	-.031
Level of satisfaction with the overall aspect of the training programs in the organization	.322	.292	.284	.403	.633	-.061	.122	.155
The level of objective of the training	-.046	.212	-.063	.225	-.075	.785	.247	.000
Opinion towards training helps to increase productivity	.145	.013	.132	-.002	.118	.705	-.266	.083
Level of satisfaction with the working culture of the organization	-.037	-.051	.023	.017	.028	-.016	.911	-.080
Training are improves the skills, knowledge, attitude change, new capability	-.018	.012	.049	.013	.021	.075	-.082	.942
Extraction Method: Principal Component Analysis.								
Rotation Method: Varimax with Kaiser Normalization.								
a. Rotation converged in 9 iterations.								

Source: Output generated from SPSS 20

The total variance accounted for, by all the seven factors with Eigen value greater than 1 is 76.678 percent and the remaining variance is explained by other variables. Among the seven factors, the first factor accounts for around 19.426 percent of variance which is the prime criteria considered in brand equity.

The statements are converted into 8 factors using factor analysis.

The following six aspects related to employee retention in banking sectors in Thanjavur district is converted into a single factor.

1. Priority is given for merit in promotion decisions
2. Health and related benefits
3. Leave benefits (Including sick, vacation, personal, paid holidays)
4. Overall satisfaction of employees Retention
5. Level of satisfy with the working condition and salary
6. After the training it reduces possible accidents

The following four aspects related to employee retention in banking sectors in Thanjavur district is converted into a single factor.

1. Top Management is interested in motivating the employees
2. General Manager is good in communicating information
3. The company provide fair Incentives, compensation etc.,
4. It is essential for managers empower employees

The following four aspects related to employee retention in banking sectors in Thanjavur district is converted into a single factor.

1. Retirement plan
2. Company has a written promotion policy
3. Satisfaction of the incentives provided by the Organization
4. Priority is given for seniority in promotion decision

The following two aspects related to employee retention in banking sectors in Thanjavur district is converted into a single factor.

1. The various type of training have taken applicable for the job after the training
2. The training is increases the motivation to the job

The following two aspects related to employee retention in banking sectors in Thanjavur district is converted into a single factor.

1. Employee assistance program (EAP)
2. Level of satisfaction with the overall aspect of the training programs in the organization

The following two aspects related to employee retention in banking sectors in Thanjavur district is converted into a single factor.

1. The level of objective of the training
2. Opinion towards training helps to increase productivity

The following one aspect related to employee retention in banking sectors in Thanjavur district are converted into a single factor.

1. Level of satisfaction with the working culture of the organization

The following one aspect related to employee retention in banking sectors in Thanjavur district are converted into a single factor.

1. Training are improves the skills, knowledge, attitude change, new capability

Apart from that, the dimension “employee retention in banking sectors in Thanjavur district” comprises 22 statements. Out of twenty two statements, eight contribute more towards employee retention. The statements are (1) Priority is given for merit in promotion decisions (2) Top Management is interested in motivating the employees (3) Retirement plan (4) The various type of training have taken applicable for the job after the training (5) Employee assistance program (EAP) (6)The level of objective of the training (7) Level of satisfaction with the working culture of the organization and (8) Training are improves the skills, knowledge, attitude change, new capability.

Friedman Test for significant difference between mean ranks towards employee retention in banking sectors in Thanjavur district

Null Hypothesis: There is no significant difference between mean ranks towards the level of employee retention in banking sectors in Thanjavur district.

Alternative Hypothesis: There is a significant difference between mean ranks towards the level of employee retention in banking sectors in Thanjavur district.

Table – 3.6, Friedman test for significant difference between mean ranks towards the of level of employee retention in banking sectors in Thanjavur district

Employee retention in banking sectors in Thanjavur district	Mean Rank	Chi-Square value	Degrees of freedom	Asymp. Significant
The various type of training have taken applicable for the job after the training	10.78	89.983	21	0.000
The level of objective of the training	10.48			
The training is increases the motivation to the job	9.60			
Training are improves the skills, knowledge, attitude change, new capability	11.60			
Opinion towards training helps to increase productivity	10.65			
Level of satisfaction with the overall aspect of the training programs in the organization	10.23			
After the training it reduces possible accidents	12.10			
Top Management is interested in motivating the employees	11.70			
Level of satisfaction with the working culture of the organization	14.81			
Satisfaction of the incentives provided by the Organization	10.46			
Level of satisfy with the working condition and salary	10.82			
General manager is good in communicating information	13.33			
It is essential for managers empower employees	12.26			
Company has a written promotion policy	11.40			
Job promotions are fair and equitable	10.04			
Priority is given for seniority in promotion decision	9.99			
Priority is given for merit in promotion decisions	11.82			
The company provide fair Incentives, compensation etc.,	11.89			
Leave benefits (including sick, vacation, personal, paid holidays)	12.27			
Retirement plan	12.15			
Health and related benefits	11.16			
Employee assistance program (EAP)	13.48			

Source: Output generated from SPSS 20

From the above table, it is found out that all the variables related to the level of the employee retention in banking sectors in Thanjavur district had significance value less than 0.05 at 1 Per cent level of significance, thus the null hypothesis is rejected. Thus, it is concluded that there is significant difference between mean ranks towards the level of employee retention in banking sectors in Thanjavur district. Out of the twenty two employee retention in banking sectors in Thanjavur district variables, the “Level of satisfaction with the working culture of the organization” has the highest rank (14.81) so, that the employee retention in banking sectors in Thanjavur district are influenced by the Level of satisfaction with the working culture of the organization.

1.9 Findings, Suggestions and Conclusion

1.9.1 Findings:

1. It is inferred that the employee retention in banking sectors in Thanjavur district is having least mean value of 1.263 is highly acceptable by the employee and the higher mean value (1.740) statement is “Employee satisfied

- with the incentives provided by the Organization” indicates that the respondents are accepting this statement only to a certain extent.
2. High value of KMO (0.710 > .05) of indicates that factor analysis is useful for the present data. The significant value for Bartlett’s test of Sphericity is 0.000 and is less than .05 which indicates that there exists significant relationships among the variables. The resultant value of KMO test and Bartlett’s test indicates that the present data is useful for factor analysis.
 3. The total variance accounted for, by all the seven factors with Eigen value greater than 1 is 76.678 percent and the remaining variance is explained by other variables. Among the seven factors, the first factor accounts for around 19.426 percent of variance which is the prime criteria considered in brand equity.
 4. It is found out that all the variables related to the level of the employee retention in banking sectors in Thanjavur district had significance value less than 0.05 at 1 Per cent level of significance, thus the null hypothesis is rejected. Thus, it is concluded that there is significant difference between mean ranks towards the level of employee retention in banking sectors in Thanjavur district. Out of the twenty two employee retention in banking sectors in Thanjavur district variables, the “Level of satisfaction with the working culture of the organization” has the highest rank (14.81) so, that the employee retention in banking sectors in Thanjavur district are influenced by the Level of satisfaction with the working culture of the organization.

1.9.2 Suggestion

The null hypotheses set in the beginning of the study i.e. “Employees’ Training has no positive effect on employees’ retention in the present bank” and “Employees’ Development has no positive effect on employees’ retention in the present bank” have now been “failed to reject”. It means that both training and development have no significant effect on employees’ retention. Whereas, null hypothesis “Employees’ Motivation has no positive effect on employees’ retention in the present bank” has proven statistically significant (i.e.) employees’ motivation has positive effect on employees’ retention.

This study shows that there is a strong relationship between Employees motivation and Employees retention among staff of banking sector in Thanjavur, whereas employees training and employees development has weak relationship with employees retention. Both variables are not predicting the retention of an employee in the banking sector. There is a possible chance that some other factors can force to establish significance relationship with retention. The motivation factor is contributing a lot in the retention of bank employee for a longer period but only this factor cannot do everything and banks have to put more efforts in training and development.

The results reveal that people get training from current bank and switch as soon as they get better opportunity from any other bank. Due to this reason, banks are facing too much trouble of immediate vacant position as well as their hiring cost is increasing day by day. It is suggested that banks should mold their policies regarding employees’ training and development, which will help banks to retain their employees for longer time.

1.9.3 Conclusion

The study supports the literature that Employees motivation and Employees retention is a common and major challenge facing the banking industry. The practical implication of this study lies in the fact that it draws attention to the issue of employees’ motivation has positive effect on employees’ retention in the banking industry and then need for managers in the industry to institute strategies that will retain employees for enhanced performance of the banking sectors. Additional conclusion for the employees given the growing needs for organizations to retain its best employees in the face of competition, the findings of the study suggest that certain variables are crucial in influencing employees’ decision to either leave or remain in industry. Such variables include a competitive salary package, convenient and flexible work hours, recognition and rewards for good performance, career growth and promotion opportunities, job security and training and development programs. Nonetheless, the importance of other variables should not be under-estimated when formulating a retention policy. It is only a comprehensive blend of intrinsic and extrinsic motivational variables that can enhance retention and reduce the high rate of employee turnover in banking sectors. In the global competition for talent, successful retention requires organizations to shift from a mindset of keeping their employees from leaving the company, to one of continuously attracting them. The approach of creating trust and supporting life long careers causes talented people to stay. People are more inclined to stay when they perceive that the opportunities and experiences they have with their current employers expand their career options. Despite their increased value and employability in the external labor market, employees will be inclined to keep their beneficial relationships with their current employers. Ironically, the more a company prepares their staff to leave, the longer they are likely to stay.



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