

# **AN ANALYSIS ON EMPLOYEE RETENTION STRATEGY AT MARUTI SUZUKI**

## **A PROJECT REPORT**

### **UNDER THE GUIDANCE OF**

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***Submitted by***

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*In partial fulfilment of the requirement*

*For the award of the degree*

**Of**

**MBA**

**IN**

**FINANCE**

**SMU**

**Sikkim Manipal University**  
Directorate of Distance Education

<Month> & <Year>

## **BONAFIDE CERTIFICATE**



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Certified that this project report titled  
.....” is the bonafide work of  
“.....<**NAME OF THE CANDIDATE(S)**>.....” who  
carried out the project work under my supervision.

### **SIGNATURE**

**Name of the Guide:**

**Guide Registration Number:**

## **DECLARATION BY THE STUDENT**

I.....bearing Reg.  
No.....

hereby declare that this project report entitled\_\_\_\_\_  
(Title)\_\_\_\_\_has been prepared by me towards the partial fulfilment of  
the requirement for the award of the

Master of Business Administration (MBA) Degree under the guidance of  
\_\_\_\_\_

I also declare that this project report is my original work and has not been  
previously submitted for the award of any Degree, Diploma, Fellowship, or other  
similar titles.

**Place:** (Name (in capitals) and signature of candidate)

**Date:** Reg. No. \_\_\_\_\_

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## **TABLE OF CONTENTS**

1. INTRODUCTION OF THE STUDY .....	6
2.OBJECTIVES OF THE STUDY .....	8
3.LITERATURE REVIEW .....	9
4.RESEARCH METHODOLOGY .....	11
5.DATA ANALYSIS & INTERPRETATION.....	12
6.RESULT & DISCUSSION.....	16
7.SUGGESTIONS .....	16
8.LIMITATIONS .....	17
9.BIBLIOGRAPHY .....	18

## **1. INTRODUCTION OF THE STUDY**

It is becoming more challenging to hold on to employees in the current environment. Appointing qualified individuals to open positions is essential for businesses. Keeping employees is more critical than recruiting new ones. Since employees are the company's most precious resource, it is the duty of management to devise plans to keep them around. A lack of advancement opportunities, work discontent, pay cuts, and other similar factors may all contribute to employee turnover. It is the responsibility of the business to hold on to its best employees; if they are unhappy in their current role or with their employer, they will look for work elsewhere. If the organization is serious about lowering employee turnover, it should prioritize meeting the needs and preferences of its workers. The growth of the business depends on the ability to hold on to its employees.

At the heart of this research project are methods for keeping good employees around. "A Study on the Existing Employee Retention Strategies at Maruti Suzuki" was the title of the paper published. The current retention techniques utilized by Maruti Suzuki's human resources division are the primary focus of this research project. In order to achieve all of the goals of the study, the researcher used both primary and secondary data. An online poll served as the primary means of data collection.

The interviews were conducted with the participation of firm employees. Since it relies on a survey questionnaire, this study is descriptive in character. "Employee retention" is shorthand for the strategies used by upper management to keep workers around for the long haul. Effective employee retention strategies encourage workers to stay with the company for as long as they can and make a big impact. It is crucial to make genuine efforts to ensure that employees grow and learn within their current roles and like their job.

In this economic climate, it is becoming more difficult for companies to hold on to their employees. After finishing training, many people look for better opportunities elsewhere and leave for other companies. A more pleasant workplace, opportunities for advancement, a more flexible work schedule, and competitive pay are all factors that can motivate an

employee to leave their job. Management and HR have a responsibility to act swiftly and investigate the factors that led to a competent employee's decision to leave the company. Keeping people satisfied and invested is crucial to an organization's success. Both the bottom line and employee morale take a hit when employee turnover is high. Work performance and productivity may be maintained and key workers can be guaranteed to stay employed via the implementation of an employee retention program. Methods for keeping key employees will be laid forth in this research.

## **2.OBJECTIVES OF THE STUDY**

- (A) To investigate Maruti Suzuki's staff retention tactics
- (B) To determine the difficulties the business has in retaining employees
- (C) To assess how well Maruti Suzuki's staff retention tactics are working
- (C) To suggest methods for enhancing Maruti Suzuki's staff retention tactics



### **3.LITERATURE REVIEW**

#### **Employee Retention**

Numerous factors have made it more challenging than ever to attract and retain talent, including increased competition in the talent hunt, dwindling employee loyalty, lack of job security, and mounting pressure on businesses to cut costs, which has resulted in frequent layoffs and downsizing. With the highly qualified workforce in businesses at all levels constantly changing positions and improving their abilities, managers seem to be having a hard time keeping up with the exceptionally high turnover rates. One of the primary responsibilities of a manager or supervisor is to ensure that the workers complete their work. Furthermore, work comprises more than simply the activities necessary to exist; it also includes the work done by individuals who are highly motivated to succeed, do quality work, and stay committed to the organization. Keeping top performers content and resistant to changing jobs is a very tough task for managers and supervisors.

Staff retention is important in almost every scenario. Because they take connections, intellectual property, time and money, a few workers, and a piece of the company's future with them, it makes no sense to let brilliant people depart. By putting in place employee retention methods that promote efficient employee communication, organizations may boost worker support and employee engagement for significant business projects.

The work features model developed by Hackman and Oldham is a widely used framework for studying how various aspects of a job affect outcomes like job satisfaction. The model claims that five basic work characteristics—autonomy, feedback, task identity, task importance, and skill variety—impact three important psychological states: perceived meaningfulness, experienced responsibility for outcomes, and awareness of the actual results. Some of the work-related outcomes that are affected by these characteristics include motivation, absenteeism, and job satisfaction. An employee's outlook and actions on the work may be gauged by looking at their motivational potential score (MPS). You get it when you add up the five most important traits for a job. A meta-analysis of studies that assessed the JCM's structure found some support for the model's validity.

**Extreme and Minimal Degrees of Interaction:** Every contemporary employee must have the ability to effectively navigate the many kinds of workplace communication. "The rate and complexity of communication inputs an individual must process in a particular time frame" (or "communication load") is one possible definition of demands. Communicating too much or too little could affect workers' happiness on the workplace. "A person receives too many messages in a short period of time which can result in unprocessed information or when an individual faces more complex messages that are more difficult to process" are two instances in which communication is excessive. This process leads to feelings of overwork, which, depending on one's work style and motivation to complete tasks, may have either a positive or negative impact on job satisfaction. Conversely, communication breakdowns may occur when an individual's cognitive capacity is overwhelmed by the volume and complexity of the information being sent to them. The ideas of communication overload and underload suggest that when employees are either overwhelmed with information or unable to process it well, it may lead to feelings of anger, disappointment, and dissatisfaction with their employment. Low levels of contentment with one's work life may result from this.

#### **4.RESEARCH METHODOLOGY**

In order to achieve its goals, this study made use of both primary and secondary sources of information.

**Interviews aided by questionnaires** were used to gather primary data.

**Sample Size** is 50.

**Target respondents** were company employees

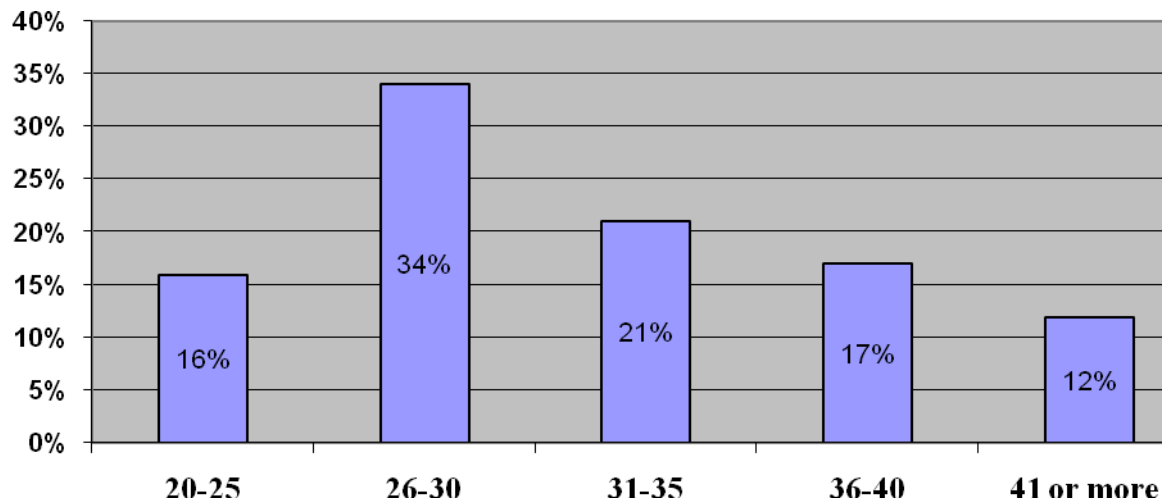
**Area of Study** was Delhi/NCR

**Secondary Data:** websites through internet, published articles in the newspapers, magazines, journals, and books

**Method used to present data:** Graphical Method is used to present and analyze primary data

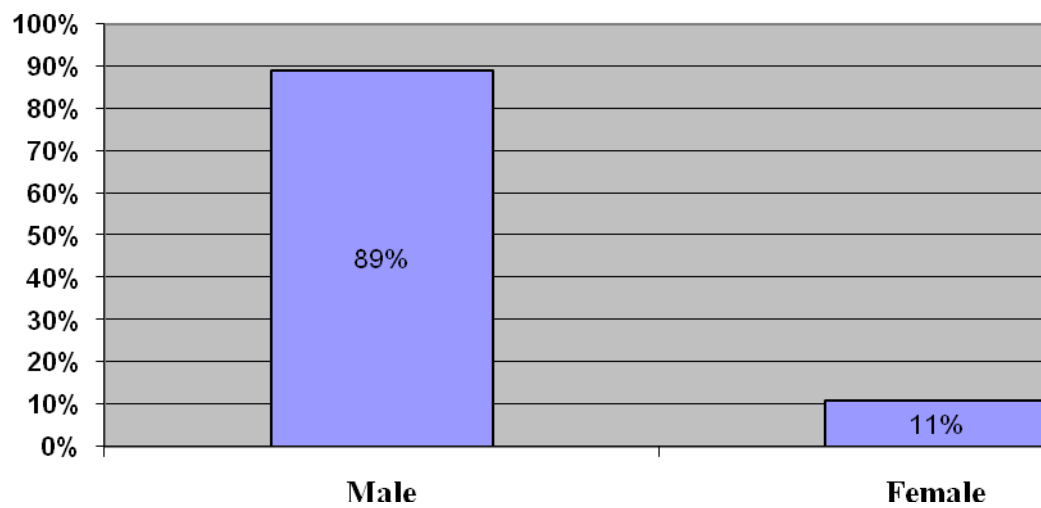
## **5.DATA ANALYSIS & INTERPRETATION**

### **Q1. Age**



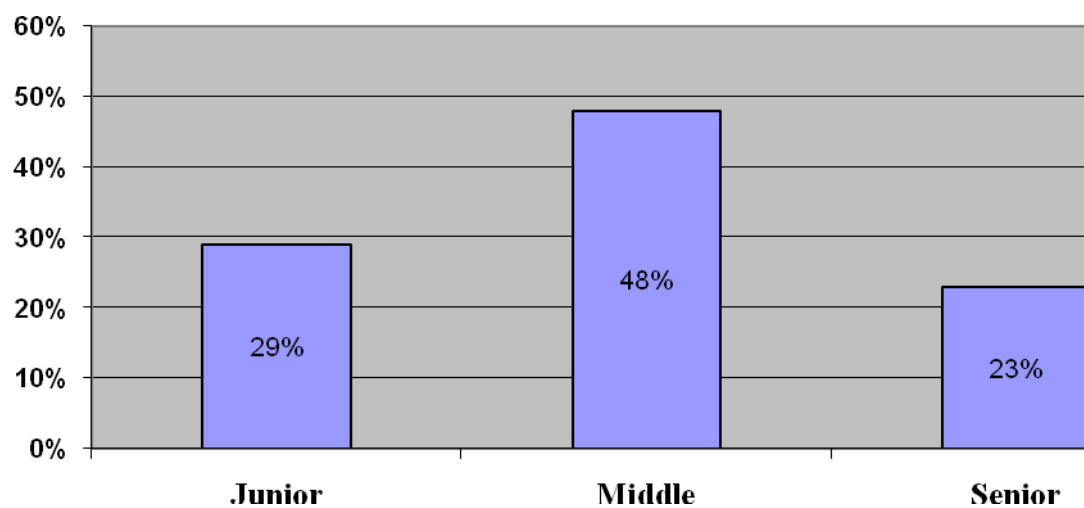
21% of respondents were between the ages of 31 and 35, while 16% of respondents were between the ages of 20 and 25.

## Q2. Gender



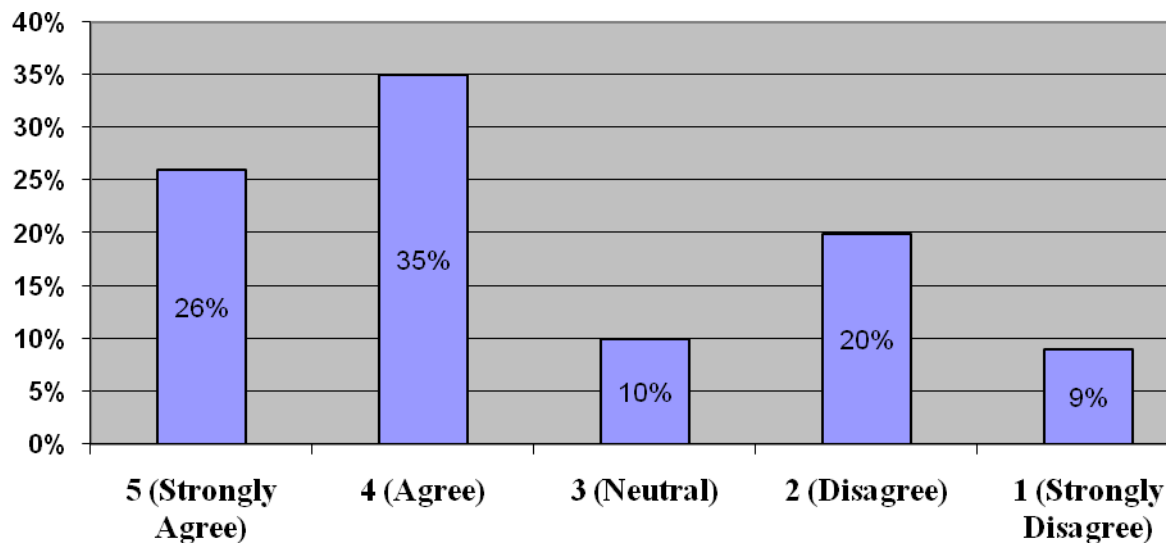
89% respondents were male and rest were female

### Q3. Job Level



While 29% were junior level, 23% were senior level responders.

**Q4. I feel satisfied with my job**



The following statement was disagreed with by 20% of respondents, while 26% strongly agreed.

## **6 RESULT & DISCUSSION**

More globalization and shifting demographics are driving companies to diversify their talent pools. Companies shouldn't cut staffing or training and development spending in half during a recession. When the downturn finally ends, organizations that have been cautious will feel the effects of the ongoing War for Talent. Employers with vision will use the current economic slump as an opportunity to better define talent inside their company. They need to devise concrete strategies to find and nurture these people. It is critical for businesses to regularly assess their ability to give a thorough and verified assessment of their present and future talent ( and any holes) that may exist inside the organization. A TM instrument that evaluates personality and conduct is necessary for them. In order to ensure fairness, it is necessary to include cultural validation, get feedback from many raters, and establish transparent standards and criteria (for both persons and organizations). Everybody knows that things will change. Let our rivals profit from our lack of interest in focused marketing during the recession. In their ongoing pursuit of better performance and results via the use of TM approaches, organizations are embracing a more comprehensive approach to managing their people. In addition to carefully selecting and employing staff, this also necessitates retaining and elevating leaders. To succeed in today's fast-paced, highly competitive market, businesses must make significant efforts to align human resources with corporate strategy and objectives. The first stage is to find and retain excellent employees; the second is to ensure that all employees have current knowledge and abilities. The rapidity with which skill needs and job trends are changing makes this a more onerous challenge for firms. To fulfill this demand and supply inside a company, it is crucial to have the right "Talent DNA" and other technology solutions. By implementing a data-, process-, and analytics-driven strategy for staff management, organizations can help ensure future preparedness and the appropriate people are in the right locations at the right times.



## **7.SUGGESTIONS**

The problem of employee retention stems from the earlier topics addressed by talent management. It seems to reason that employee retention should take precedence if a comprehensive people management program governs all aspects of the hiring process, including evaluations, training, and procedures. This is because the current staff at your organization is quite competent and experienced. If you want to hold on to your "talent" (i.e., the employees you want to retain), you need to make sure they're enthusiastic, involved, and can boost morale. In uncertain economic times, any of these might become issues.

It should be rather easy to decide who to keep once you look at their staff, the job market, and the company's status. A discussion with your employees should be the next step in the retention process. Communicate your appreciation for their contributions to the team and inquire as to what aspects are most important to brilliant persons in terms of employee engagement and retention. Keep in mind that salary isn't the be-all and end-all of employee engagement, even if it certainly plays a role in low morale and disengagement. Managers should find out what matters most to their team and do everything they can to make sure that everyone on staff, even the most talented individuals, views these things in a favorable light. In addition to enhancing your company's service-profit chain, this will also help you retain important personnel.

The management literature has identified several critical components that are necessary for employee engagement. Your employees are interested in the community's perception of your organization's values, especially your internal values (as opposed to the corporate values your company aspires to achieve). Important factors include providing incentives, opportunities for personal and professional growth, and open lines of contact with employees. But many of these factors have been obstacles in the past when economies have been in a slump. Due to a lack of development opportunities, employees are not given the stability they need to be satisfied, training budgets are slashed, performance-based incentives are reduced or eliminated, and career progression paths are often eliminated. Managers and organizations may still engage their personnel even in a recession by taking specific activities. Rather of relying on corporate performance incentives, think about shifting to individual performance-based remuneration. Make sure that the top achievers are greatly impacted by performance-based incentives.

## **8.LIMITATIONS**

Although there are a number of caveats to this exploratory study, they do not diminish its significance. The consumption data was estimated from the literature research and convenience samples. The majority of insured people are women, who may not be a perfect reflection of society at large. There are a number of cities that were chosen because their populations do not reflect South India as a whole. Age, income, and psychographics were among the many demographic variables that were disregarded.

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