STAY INTERVIEW A MISSING FACADE OF EMPLOYEE RETENTION

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ABSTRACT
Employees are the most important and valuable assets of an organization. Organizations today are doing their best to hold on to their employees. Retaining them is as important as hiring them in the first place. Retention is the next challenge after hiring the employees. Retention is important because to make good people stick in the organization. Stay interview is the new trend in HR. stay interview help to understand employees feeling, perception towards organization.

The study was conducted in N.S. InfoTech Hubli one of the finest IT enabled service organization which is located in vidyanagar. The purpose of this paper is to identify the attrition rate, the factors reducing employee turnover and to explore the impact of retention strategies using the stay interview as a tool on employees. The Objectives of the research are to determine the employee turnover at N.S. InfoTech to identify the facilitating factors and hindering factors that makes employee to perform better in organization, to study the impact of few variables and to conduct the stay interview as intervention regarding improvements in retention strategy. The research was carried out in three phases. Phase one we were trying to identify the attrition rate for the year 2014-2015. Phase two was face to face interaction with all the employees in order to understand the facilitating and inhibiting factors for the employees. Stay interview was conducted for 101 employees; with random sampling. Phase three was all about designing and administering questionnaire to understand the impact of few variables on organization as well as employees. The results of the research revealed that employees are happy with working environment; training but employees are expecting betterment in salary, flexible practices and designation. Company should focus on betterment of above parameter to achieve its objectives.

Key Words –Stay interview, Retention, Attrition, Facilitating factors, inhibiting factors

INTRODUCTION

For years, employers have wondered why valued employees left to take jobs elsewhere. Emotionally, managers felt hurt that people deserted them, preferring some other leader instead of them. Logically, good leaders wanted answers. Why are the people we want to stay making decisions to end their employment with us? Where did we go wrong? Who can we blame? How can we prevent this voluntary employee turnover? So many companies decided to interview departing workers as they left, asking them why they were walking. In many cases, corporate managers--not necessarily human resources professionals--deemed that it would be good to study reasons for departure to fix the problems so people would stay.

However, now we know that waiting until people have made the decision to leave is really *too late*! We know that counter offers rarely work, because people have already made up their minds to leave. *Conducting Exit Interviews means taking action, when it's really too late.*

The solution was deceptively simple: conduct Stay Interviews or re-recruit your people. In Stay Interviews, we can discover what's really going on with your people. The best part is that you get to learn about the dis-satisfiers, *before* your top talent bolts. We can ask the tough questions and get the in-depth answers that they may be unwilling to share with your own HR department. Let us help you prevent uncontrolled employee turnover by finding out what's working and what's not, before it becomes a problem and you lose your top talent. In the future, conducting Stay Interviews will not be optional---*if you want to keep your good people*.

When it comes to measuring employee engagement, there's an oft-overlooked method — one that isn't traditionally woven into the formal HR process — that some engagement specialists say might be the most effective of all: the stay interview. Unlike the exit interview, where HR managers gain insights into employee sentiment just before they walk out the door, and the performance review, where managers assess employees' performance for the year, the stay interview asks the question most managers yearn to ask their top talent: What could we do to make you stay? "The ultimate goal of the stay interview is to stay in someone's head and make sure we retain them," said Kevin Kruse, author of *WE: How to Increase Performance and Profits Through Full Engagement*. The stay interview is perhaps a manager's most honest grip on engagement, according to Kruse. It's a one-on-one meeting with a front-line manager and a direct report to gain insight on that employee's perspective on the organization's key engagement drivers, and to learn which of those drivers need fixing to retain top talent.

For organizations that conduct wide-ranging engagement surveys each year, it's best to conduct the stay interview not long after those results become available. "If you know the [engagement] scores, you can focus more time and attention on the areas of validated need,"

REVIEW OF LITERATURE

The exponential growth of IT sector in India, in the last few decades, have prompted employees with more employment opportunities, has been a contending issue posing a critical challenges for organizations in retaining their best and top performing talent. A numerous studies have been conducted on employee's retention and a considerable amount of literature has been published as well. The literature review on this subject and related studies, have given a lot of insights and also helped in analyzing the existing gap that, could potentially be taken up for further research.

Mobley, studied the Intermediate linkages in the relationship between job satisfaction and employee turnover. Journal of Applied Psychology, 62, 237-240. Although it is clear that the relationship between job satisfaction and turnover is significant and consistent, it is not concluded very strongly and the author suggests that it is a probable that other variables mediate the relationship between job satisfaction and the act of quitting becomes definite.

Magner et al. (1996) argue that employees feel comfortable to stay longer, in positions where they are involved in some level of the decision-making process.

For example, Maertz and Campion (1996) noted "relatively less turn-over research has focused specifically on how an employee decides to remain with an organization and what determines this attachment…retention processes should be studied along with quitting processes" (1998, p. 65). Steel, Griffeth, and Hom added "the fact is often overlooked, but the reasons people stay are not always the same as the reasons people leave" (2002, p. 152).

Despite the vast literature on employee turnover, which is aimed at identifying factors that cause employees to quit (e.g., Griffeth, Hom, & Gaertner, 2000), much less is known about the factors that compel employees to stay.

A great deal of turnover research focuses on people who leave, on the assumption that understanding why people depart will help organizations determine how to retain them. Of course, it is also valuable to understand why employees stay. Some studies have examined the ways in which employees become embedded in their jobs and their communities. Mitchell, T.R., Holtom, B.C., Lee, T.W., Sablynski, C.J., & Erez, M. 2001

In the same study on employee retention focused on the broad array of factors that influence a person's staying in a job termed as job embeddedness construct by Mitchell et al in 2001.

Later, Lawler III (2005) stated that in these days organizations are competing for talent rather than counting employees loyalty. In this shift, organizations must utilize those practices which are in favor of both employees and employers leading them towards higher performance levels. It is important to recruit strategy driven and shrewd employees because it creates sense of alignment between employee and organizational values and goals.

Vos & Meganck (2009) indicated that career development plan for the employees play a vital role in the retention of employees. Providing these career development opportunities make employees stay and increase their loyalty towards organization.

NEED OF THE STUDY

With entry of big established players in IT Enabled industry in the Hubli market, the competitive scenario is becoming more challenging day by day. In this context, the BPO should focus more on the resources that gives sustainable competitive advantage. Amongst various resources the Human Resource tops the list of sustainable competitive advantage. As it is found that the attrition rate at N.S. InfoTech is increasing in consecutive months hence the study was undertaken to find out the strategies that would help organization to achieve healthy rate of attrition

OBJECTIVES

- To determine the employee turnover.
- To study the factors that make employees stay in organization.
- To identify the hindering and facilitating factors.
- To examine the impact of stay interview
- To suggest the measures for effective stay interview.
- To design retention strategy.

RESEARCH METHODOLOGY

The study was conducted in N.S. InfoTech Hubli one of the finest IT enabled service organization which is located in vidyanagar. The purpose of this paper is to identify the attrition rate, the factors reducing employee turnover and to explore the impact of retention strategies using the stay interview as a tool on employees. The Objectives of the research are to determine the employee turnover at N.S. InfoTech to identify the facilitating factors and hindering factors that makes employee to perform better in organization, to study the impact of few variables and to conduct the stay interview as intervention regarding improvements in retention strategy. The research was carried out in three phases. Phases I was an attempt to identify the attrition rate for the year 2014-2015. Phase II was face to face interaction with all the employees in order to understand the facilitating and inhibiting factors for the employees. Stay interview was conducted for 101 employees; which comprises of 72 males (70.59%) and 30(29.41%) females with random sampling. Phase III was about designing and administering questionnaire to understand the impact of few variables on organization as well as employees.

RESULTS AND DISCUSSIONS

PHASE – I
Table 1 – Calculation of attrition rate

Months	No of employees	Employees left	Count	Attrition rate
Apr-2014	75	3	3/75*100	4%
May-2014	88	3	3/88*100	3.4%
Jun-2014	91	6	6/91*100	6.59%
Jul-2014	94	8	8/94*100	8.51%
Aug-2014	93	8	8/93*100	8.6%
Sep-2014	94	8	8/94*100	8.51%
Oct-2014	95	9	9/95*100	9.47%
Nov-2014	100	10	10/100*100	10%
Dec-2014	98	8	8/98*100	8.16%
Jan-2015	97	8	8/97*100	8.24%
Feb-2015	92	8	8/92*100	8.69%
Mar-2015	96	9	9/96*100	9.37%

Attrition =   (Number of employees left the company) * 100
                   (The total number of employees in company)

The above table indicates the attrition rate of entire organization. The above table shows fluctuating attrition rate. The attrition rate is increasing gradually every month. The next level of research is to determine the reasons for the attrition level.

PHASE – II

Stay interview was organized for all the 101 employees to determine the factors that were motivating and de-motivating employees to stay in the organization. Fifteen minutes interview was conducted, where in the employees were asked to share their ideas, views and comprehension regarding Working environment, prerequisites to perform the job better, Job related training, plan before you starts your work, Career growth and Development, Flexible work hours, support from supervisors and coworkers, cafeteria facilities, appropriate salary, recognition, stress at job if any, Role of Human Resource Department, and their perception towards Human Resource practices.

Table 2 – Factors that facilitate and inhibit the performance of employees

Facilitating Factors	Inhibiting Factors
1. Working environment 2. Co workers 3. Events and activities 4. Location (Hubli) 5. Career path 6. Management helps in personal growth 7. Management 8. Effective team members 9. Maintenance and cleanliness 10. Designation given 11. Training activities	1. Lack of rewards and reorganization 2. Lack of attractive salary package 3. Lack of fringe benefits 4. Rigid work practices 5. More roles and responsibilities 6. Difficulty in hiring professional staff. 7. Working hours 8. Accommodation to the employees.

FINDINGS

1. In the organization there is increase in the attrition rate from 4% to 9.37%
2. Via stay interview, It was found that
   - open and cooperative environment is acting as facilitating factor
   - Monetary and Non monetary benefits is acting as hindering factor

3. In the organization employees are happy with few of the parameter and because of the following parameter they want to stay with company, they are Working environment, Relationship with Co workers, Events and activities, Location (Hubli),Career path in the company, personal growth, composition of team members ,Designation given, Training activities

4. Employees are fairly satisfied with respect to financial condition of the company and Fringe benefits provided by it.

5. In the organization, 72 male employees (70.59%) are happy and satisfied with following parameter when compared with female employees
   - Companies performance
   - Rewards and reorganization
   - Salary package
   - Roles and designation
   - Training facility provided by the company

6. Both Male and Female employees are equally happy to be with the company due to
   - Career development
   - Work life balance
   - Flexible work practice
   - Open environment

7. In the organization both male and female employees are equally dissatisfied with economic condition of the company.

RECOMMENDATIONS AND SUGGESTIONS

1. Encourage employees to take part in decision making process of job roles and responsibility like job rotation which motivates employees to work effectively.

2. As number of male employees are more than female employees the organization can put more efforts in providing flexible work practices and fringe benefits

3. Organization should provide clear career path to employees to retain human resource.

4. Practices like rewards and reorganization, fringe benefits, attractive salary, responsibilities, and Accommodation to the employees can be provided in order to enhance the productivity of employees

CONCLUSIONS

The outcome of the research is that the both facilitating factors and hindering factor improves the productivity of the. The company can work on improving the facilitating factors and avoid hindering factor. The management also realized that stay interview is powerful tool in retention strategy to hold back valuable manpower in the organization. A stay interview shows employees that you care about their well-being and can go a long way in developing a positive employee-manager relationship.

The concept of "stay interviews" is simple. You must periodically work with key employees to increase the number of reasons why they stay and to minimize anything that frustrates them and that may act to trigger their departure.

If you are a manager and you think that these interviews may be unnecessary, and if you expect to win "The War To Keep Your Employees," you must forever bury the notion that the best employees will "naturally" stay at your firm without you having to periodically take major actions.

Employee retention is growing as an issue because we live in a world where the minute after a manager does something to anger or frustrate an employee, the employee can react negatively by instantly applying for a new job by simply pushing a single button on their smart phone. This "stay interview" approach is a combination of customer relationship management and market research approaches. And by using it, HR can move retention closer to becoming a more data-driven function.

The stay interview has proven to be easy to learn and highly effective, almost any manager can dramatically reduce their turnover rate and save hundreds of thousands of dollars by implementing this simple and inexpensive tool

SCOPE FOR FURTHER RESEARCH

The Research was restricted only to N S Infotech Hubli, with the sample of 101 employees; the study could be researched on a larger sample size considering few more companies per se. Few more retention strategies could be determined with the exhaustive questionnaire.

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