

IMPACT OF REWARDS AND RECOGNITION AS RETENTION STRATEGY ADOPTED BY SMES IN MUMBAI

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ABSTRACT

Effective retention strategies are always in demand whether it is for small scale industries or large scale industries irrespective of the field they are operating. As in the changing business environment every business has to deal with the problems coming their way. Every business aim is to adapt to the changing factors of the business and change their employees' survival strategies and move forward and those who don't change will never remain in the long run. The survival of the fittest trends are now changing for the small scale industries and so their people retention strategies.

The objective of this paper is to study and review the effective retention strategies adopted by the companies and to find out most favorable practices towards their employees of the companies studied.

Source of data collection would be a primary data. A pilot study has been carried out at Mumbai through a questionnaire survey involving 50 respondents who are working in the small scale industries in order to understand the policies implemented by the employers for its workers.

Favorable factors for the retention of employees would be measured and analysis would be done by using statistical tools. The research would enable us to find out that which are the most preferable and effective policies for the employees.

Keywords: Survival, retention, small scale industries, Business environment.

INTRODUCTION:

Small Medium Enterprises in India:

MSME are always the strategic point of growth of every economy. SMEs act as the backbone of every developed and developing nation. In India, the role played by SMEs in National development is significant as they contribute towards domestic production, export earnings, developing indigenous technology, defense production and rendering various services as well.

The definition of Small Medium Enterprises (SMEs) in India is segregated by the enterprises engaging in manufacturing or production, processing or preservation of goods according to the investment factors and also those rendering of services.

Both categories of enterprises are further classified into micro, small, medium and large enterprises based on their investment in plant & machinery (for manufacturing enterprises) or on equipment (in case of enterprises providing or rendering services). The present ceiling on investment to be classified as micro small or medium enterprises is as under:

Classification	Investment Ceiling for Plants, Machinery & Equipment	
	Manufacturing Enterprises	Service Enterprises
Micro	Up to Rs. 25 Lakh	Up to Rs.10 Lakh
Small	Between Rs. 25 lakh to 5 Crore	Between Rs. 10 lakh to 2 Crore
Medium	Between Rs. 5 Crore to 10 Crore	Between Rs. 2 Crore to 5 Crore

Source: laghu-udyog.gov.in

The Small Medium Enterprises sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. They not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth.

The Indian Micro Small Medium Enterprises (MSMEs) contribute 8% to the Country's GDP thereby creating 100 million jobs through 46 million units from the rural and the urban areas across the Country. They also contribute to 90% of the total Industrial output, 40% share in exports and 45% of the Manufacturing output of India and come out with 6000+ products across the spectrum. CII acts as link through their centre of excellence & it also helps to have interventions and dialogue with the Government on key policy matters & help to raise the competitiveness of Indian SME.

Role of retention of employees:

One of the major factors for the organizational success is retaining a positive and motivated staff. High attrition rate increases expense of the company leading to negative effect on company morale. In order to maintain job performance and productivity in the work environment, implementation of employee retention program is effective to make sure the key workers remain loyal and connected with the organization for longer period of time.

Retention strategies help to manage employee turnover rate and attract quality employees in the organization. These programs help to maintain the relationship between management and the workers. Strategies like competitive pay, benefits, recognition awards, employee assistance programs are companies attempt to maintain employee satisfaction level. Specialists in human resources utilize the data they get from focus groups and exit interviews to reduce employee turnover and make healthy employee relations.

Retention of employee is directly proportional to the direct and indirect costs incurred by the company. High turnover is highly expensive. Studies from Society of human resources management tells an important truth i.e. employee replacement costs can reach as high as 50 to 60% of employees' annual salary, if strategies are made for retaining of needy employees it will help offset employee replacement cost thus by reducing indirect costs such as loss of the prospectus clients an decreased productivity. Organization's productivity is supported by employee retention strategies. Recruiting and training cycle of new employees' takes time. A responsible position which is not filled for longer period of time means

that there is no proper flow of work. Even if a position is filled, learning and implementing takes time before it counts into the results. Taking necessary steps to keep current workers satisfied with their roles will ensure productivity not being interrupted. Effective retention strategies generally take off with employee recruitment process. Employees prefer to stay with that company which keeps up the promise that was made when the offer was put up.

Those companies which maintain transparency in the working environment, the opportunities it provides for the employees in the company can positively influence employee retention. When employees enjoy their work they are likely to stay with the organization for longer period of time. Retention helps to create vibrant work environment and helps to increase commitment level towards the organization. Strategies surrounding motivation and employee engagement can be beneficial only when you have the right people otherwise efforts will be in vain. Companies can do better job of setting expectations, conducting in depth interviews and taking proper amount of time to make the best hiring decision possible. Companies which are in general poor in the above mentioned policies and hire quickly without proper thinking can face bad decisions.

Along with the matching of competencies the candidate should also have potential to move later in the organization. The job should be beneficial for both the candidate and organization by analyzing the career prospectus for the employees. There is a huge consensus over the significance of Small medium enterprises in developed as well as developing countries as they promote economic growth and generate employment. Small medium enterprises are active in variety of business activities ranging from engineering, handlooms, and software firms, event management companies, manufacturing products for big enterprises, automotive etc.

The environment in which current organizations are operating has undergone serious transformations owing to the advent of globalization. MNCs which offer huge employee benefits and possess every required resource to retain them can withstand this dynamism, but the Small and Medium Enterprises find themselves in a situation where they are unable to face this fierce competition. The retention of employees saves lots of human resource costs to the firms which otherwise becomes an additional burden. More and more of SME's are now struggling to survive due to immense pressure created both by globalization and giant multinational companies in the market. As SMEs contribute significantly to a nations' gross domestic product (GDP) and provide employment to a large number of people, therefore it is in the interest of governments to encourage their survival and growth. Their failure could lead to a situation of unemployment and consequent social tensions.

SMEs act as the backbone of every developed and developing nation. In India, their role is indispensable as they utilize in-house resources and generate employment. Despite many contributions, this sector faces serious issues like, high turnover rate, less access to market information, credit issues, job insecurity amongst employees etc. The employees working in SME's are getting employment but their cue for professional growth is not satisfied due to certain problems. With so many other options available in hand, such employees join other firm which shows that the commitment towards the organization has declined. Employee's commitment has positive correlation with the productivity which ultimately brings better results for the organization. The concept of moonlighting, i.e holding more than one job at hand, has come up which leads to reduction in organizational commitment factor.

For example, employees working in event management companies of this sector have to travel, receive less compensation as compared to their counterparts in Multinational Companies (MNCs) and get fewer opportunities for professional growth. Most of the companies in this field are multinational one, while the local companies face tremendous challenges. Also, entrepreneurs who think of setting up such companies on small scale have to face issues such as, obtaining equipment which is a tedious process and heavy entertainment taxes levied by Govt.

SME sector faces numerous challenges like financial crunch, limited access to knowledge, ineffective marketing strategy, non-availability of skilled workforce etc. Out of all the constraints, high employee turnover rate is the most important one. Human capital is supposed to be the most precious asset of any organization, especially, for the firms which operate in complex and dynamic competitive environment. SME does provide employment to masses but because of structural issues, employees leave the companies. The high centralization and flat organization structure make employees highly de-motivated

as they are unable to meet their personal career goals leading to decreased performance. This remains the reason that SMEs are not in a position to recruit high caliber staff and retain them for long as every employee needs growth in order to excel themselves in career. These issues are prominent because of absence of concrete HRD programs which these sector lack.

SMEs face many major Human Resource related issues like, non-availability of skilled man power, lack of concrete Human Resource Development programs, remuneration, job security, absenteeism and high employee turnover rate. With the advent of Multinational companies' culture in India, these organizations are facing a serious issue of employee turnover and it has become imperative for such organizations to minimize this attrition rate by developing high levels of organizational commitment.

Role of SMEs in generating employment:

The small and micro enterprises have been playing a vital role in the economic development of India. SMEs employ 42 million people of India and create a million of jobs every year. The small enterprise sector has continued to contribute immensely in creating large scale job opportunities across space & in the process, helped reduce inter regional & rural-urban disparities in growth. Interestingly, as the size of employment has never been part of the criteria used for the official definition of small enterprises. SMEs have been considered one of the 'driving forces' of modern economies due to their multifaceted contributions in terms of technological innovations, employment generation, and export promotion.

MSMEs account for a large share of all firms, constitute a major source of employment and generate significant domestic and export earnings in the Organization for Economic Co-operation and development of countries and their transition. MSMEs nurture entrepreneurial talent, in addition to creating employment and fostering industrial development in an economy. SMEs are alleviating poverty around the world as well as increasing the social and economic participation of women, youth and minorities. MSMEs, by number, dominate the world business stage.

Estimates suggest that more than 95% of enterprises across the world are MSMEs, accounting for approximately 60% of private sector employment. The contribution of MSMEs to economic fundamentals varies substantially across countries: from 16% of GDP in low-income countries (where the sector is typically large but informal) to 51% of GDP in high-income countries. Japan has the highest proportion of SMEs among the industrialized countries, accounting for more than 99% of total enterprises. In South Africa, it is estimated that 91% of the formal business entities are MSMEs, worldwide MSMEs account for 52% of private sector (Ramarao, 2014) which provides a reasonable estimate for the sector's global economic contribution. Thus, they become important players in developing countries and economies with high unemployment. Technical education background in the form of diploma or degree (BE/ME/PhD) is a significant feature of entrepreneurship of the SMEs.

MSMEs are generally more common in rural areas than larger businesses especially in developing countries like India, providing most-needed employment in rural area.

The employees working in SMEs are getting employment but their cue for professional growth is not satisfied. With so many other options, such employees join other firms which depicts that their commitment towards the organization has declined. When talked about innovative & non innovative SMEs, the innovation has been shown tremendous growth for generation of employment & sales growth & it has a positive co-correlation. Some scientists say that innovativeness does contribute to SME performance directly but some scientist argues that growth is not necessarily dependent on those factors contributed to innovative potential.

In India Manufacturing SMEs accounted for around 40% of industrial output & exports along with large employment generation. Service sectors are by far the most important contributors to GDP of United States contributing nearly to 79% (CII, 2011). India is a growing service economy too and thus provides an opportunity for SMEs growth and achieves balanced growth. SMEs can in fact become the major engines that sustain growth for long term development of India. When growth becomes stronger, SMEs gradually assume a key aspect in industrial development and restructuring. They can satisfy the increasing local demand for services, which in turn allows increasing specialization, and furthermore support larger enterprises with services and inputs.

In India, the historical role of SMEs have played an important role for creating ample opportunities for employment of millions but has come to occupy secondary status in the competition to ensure external orientation, achieving manufacturing competitiveness and to emerge as notable global player. But complications in such issues as employment creation and neglect of the vast segment of small and tiny units operating within a 'low-road' syndrome could be a major roadblock to the sector. What is more important that it was to gain self-employment by implementing the innovative ideas & to exploit market opportunities in which entrepreneurs have set-up their firm?

LITERATURE REVIEW:

Retention strategies adopted by developing economies such as Ghana, Africa show high rate of employee turnover and also find their employees leaving them unceremoniously every day. Best retention practices available to developing countries like Africa Ghana were flexible workplace practices and work family support policies and good rewards management practices. (Amindu Sanda & Alex Ntisful 2013).

Flexible workplace & good reward management practices can reduce employee turnover in Ghanaian SMEs. Workplace flexibility was found to be the key and a good predictor of retention and could be the best retention tool for SMEs. Reporting and closing time for work should be flexible though it should be under close regulation and monitoring to ensure smooth operations of the company. It could be considered as a course of retention strategy that when adopted could ease the employees, the burden of motor traffic stress they would face every morning to work. Good reward management practices, in the form of prompt payment of salary/wages, fair administration of company, the need to administer a benefits program that really satisfy the need of the employees, were also seen as next best retention strategy for Ghanaian SMEs. Work family support policies are also adopted in order to retain the employee.

According to (Minu Zachariah & Dr. Roopa T.N 2012) there is difference between the retention strategies adopted by the IT companies in India and MNC. Though both were the same solution providers but when factors like total experience positions and certification program were considered there was significant difference between them.

It is exacerbated with the fact employees typically would leave the firm without serving the required notice period which makes replacement not only difficult but also very expensive in view of the limited period the managers have at their disposal to recruit new employees.

Akila (2012) studied that in some organizations only basic needs are the only retention strategies provided at the organizational level. There was dissatisfaction of workers towards this approach and founded that influencing factors for employees were career opportunities, Work Life Balance and recognition. Further, they face the challenge of having to lose significant productivity during the period when employees leave without any preparation for their replacement.

Micheal Samuel & Crispen Chipunza (2009) found intrinsic and extrinsic motivational variables influenced the retention & reduction of employee turnover in both public sector units and private sector organization.

Priya and Dr. Vikram (2011) focused only why people leave organization and identified the reasons such as career growth, job security better pay packages.

In Banking sector (Vikram Jeet and Dr. Sayeeduzzafar, 2014) found Training, Performance appraisal and compensation has significant impact on job satisfaction & retention.

In BPO Sector (Herald Moris and Sreedhara, 2011) found the promotion of good work, feeling of being valued in company were influencing factors for employee perceptions of rewards and recognition policy.

Exploring HRM practices in SMEs scientific selection and effective on the job training can help the company in achieving better performance Puja Bhatt, Dr. S. Chinman Reddy. (2011). HRP and job analysis can help company obtain better productivity linkage between HRM practices and impact on firm's performance. HRM practices like HR Planning, recruitment selection and compensation will lead to the positive HRM outcomes like satisfaction development, employee motivation, health, climate, employee engagement and retention of employees' parameters that depict firms' performance like profit market value market share increase in sales productivity customer satisfaction and development of new product and services can be linked with HRM Practices.

DATA AND METHODOLOGY:

The study is exploratory in nature and is undertaken to explore the rewards and recognition factors determining the success of retention. The sample of the study comprises of 100 respondents from partly Thane District and remaining from Mumbai with registered small medium enterprises. Non-probability convenience sampling method was used to select the respondents.

DATA COLLECTION:

Primary data for the study was collected through a self-structured questionnaire. The questionnaire consists of 5 close ended items based on 5 point likert scale (5-Highly satisfied to 1- highly dissatisfied). The tools

Correlations

Research Methodology	Parameters
Tools	
Research Methodology	Descriptive Design
Sampling Technique	Non-probability – convenience sampling
Sample size	100 (Uma Shekaran)
Respondents	Blue collar employees of SMEs.
Period	2016-2017
Source of Data	Structured questionnaire – 9 questions (open ended and closed as well) with demographic details.
a. Primary Data	
b. Secondary Data	Research papers from reliable sources
Evaluation Scale	5-pt Likert; Dichotomous
Limitations	a. Getting answers for open ended questions was difficult. b. Sample size itself

DATA ANALYSIS:

The data is obtained by using statistical tool correlations in order to identify the co-relationship relationship between salary structure, provision for group insurance schemes government, overtime salary, yearly bonus schemes, and performance based incentives and how these factors affect the work performance.

NON PARAMETRIC DATA ANALYSIS:

Hypothesis:

H0:- Salary Structure and Work Performance are not correlated.

H1:- Salary Structure and Work Performance are correlated

PART-I: CORRRELATION (SPEARMAN AND KENDALLS TAU)

Correlations

		Salary structure	work performance
Kendall's tau_b	Salary structure	Correlation Coefficient	1.000
		Sig. (2-tailed)	.000
		N	100
	work performance	Correlation Coefficient	.455**
		Sig. (2-tailed)	.000
		N	100

			Salary structure	work performance
Spearman's rho	Salary structure	Correlation Coefficient	1.000	.507**
		Sig. (2-tailed)	.	.000
		N	100	100
	work performance	Correlation Coefficient	.507**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Salary Structure and Work Performance are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being 0.50; so the null hypothesis is rejected.

H0:- Group Insurance and Work Performance are not correlated.

H1:- Group Insurance and Work Performance are correlated

Correlations

			work performance	Group insurance
Kendall's tau_b	Work Performance	Correlation Coefficient	1.000	.233**
		Sig. (2-tailed)	.	.005
		N	100	100
	Group insurance	Correlation Coefficient	.233**	1.000
		Sig. (2-tailed)	.005	.
		N	100	100
Spearman's rho	Work Performance	Correlation Coefficient	1.000	.259**
		Sig. (2-tailed)	.	.009
		N	100	100
	Group insurance	Correlation Coefficient	.259**	1.000
		Sig. (2-tailed)	.009	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Group Insurance and Work Performance are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being low at 0.259.

Correlations

			work performance	overtime salary
Kendall's tau_b	Work Performance	Correlation Coefficient	1.000	.724**
		Sig. (2-tailed)	.	.000
		N	100	100
	Overtime Salary	Correlation Coefficient	.724**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100
Spearman's rho	Work Performance	Correlation Coefficient	1.000	.802**
		Sig. (2-tailed)	.	.000
		N	100	100
	Overtime Salary	Correlation Coefficient	.802**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Work Performance and Overtime Salary are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being high at 0.802.

Correlations

			work performance	yearly bonus schemes
Kendall's tau_b	Work Performance	Correlation Coefficient	1.000	.519**
		Sig. (2-tailed)	.	.000
		N	100	100
	Yearly Bonus Schemes	Correlation Coefficient	.519**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100
Spearman's rho	Work Performance	Correlation Coefficient	1.000	.582**
		Sig. (2-tailed)	.	.000
		N	100	100
	Yearly Bonus Schemes	Correlation Coefficient	.582**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Yearly bonus scheme and Work Performance are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being moderate at 0.582.

Correlations

			work performance	performance based incentives
Kendall's tau_b	work performance	Correlation Coefficient	1.000	.375**
		Sig. (2-tailed)	.	.000
		N	100	100
	performance based incentives	Correlation Coefficient	.375**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100
Spearman's rho	work performance	Correlation Coefficient	1.000	.426**
		Sig. (2-tailed)	.	.000
		N	100	100
	performance based incentives	Correlation Coefficient	.426**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Performance based incentives and work performance are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being low at 0.426.

Correlations

			R R satisfaction	how likely you going to stay
Kendall's tau_b	Recognition, Reward satisfaction	Correlation Coefficient	1.000	.659**
		Sig. (2-tailed)	.	.000
		N	100	100
	Employees intention to stay in the company	Correlation Coefficient	.659**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100
Spearman's rho	Recognition, Reward satisfaction	Correlation Coefficient	1.000	.741**
		Sig. (2-tailed)	.	.000
		N	100	100
	Employees intention to stay in the company	Correlation Coefficient	.741**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Rewards and Recognition, satisfaction and intention to stay in the Organisation are statistically significantly positively correlated with magnitude of Spearman’s rho being 0.741.

PART-II: REGRESSION EQUATION

Linear Regression equation, if satisfaction for Reward Recognition increases the more likely they will stay in the organization.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.762 ^a	.580	.576	1.043

Predictors: (Constant), R R satisfaction

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	147.357	1	147.357	135.466	.000 ^b
	Residual	106.603	98	1.088		
	Total	253.960	99			

Dependent Variable: Employees intention to stay in the organisation

Predictors: (Constant), Reward Recognition satisfaction

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.620	.228		2.718	.008
	Reward Recognition satisfaction	.735	.063	.762	11.639	.000

Dependent Variable: Employees intention to stay

The statistically significant equation that we get from regression is

(How likely the employee is going to stay) = (0.620) + (0.735) x (Reward and Recognition Satisfaction)

PART-III: MULTIPLE REGRESSION

(In work performance which factors affects the most and increases work performance)

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Overtime Salary	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
2	Salary Structure	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).

Dependent Variable: work performance

It is found that salary and overtime salary are the factors most affecting the work performance.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.803 ^a	.645	.642	.867
2	.819 ^b	.671	.664	.839

Predictors: (Constant), overtime salary

Predictors: (Constant), overtime salary, Salary structure

ANOVA^a

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	133.795	1	133.795	178.163	.000 ^b
	Residual	73.595	98	.751		
	Total	207.390	99			
2	Regression	139.176	2	69.588	98.954	.000 ^c
	Residual	68.214	97	.703		
	Total	207.390	99			

Dependent Variable: affects work performance

Predictors: (Constant), overtime salary

Predictors: (Constant), overtime salary, Salary structure

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	-.001	.254		-.006	.995			
	overtime salary	.982	.074	.803	13.348	.000	.803	.803	.803
2	(Constant)	-.213	.258		-.826	.411			
	overtime salary	.877	.081	.718	10.886	.000	.803	.742	.634
	Salary structure	.181	.066	.182	2.766	.007	.519	.270	.161

Dependent Variable: affects work performance

Work Performance = (-.213) + (.877) x (Overtime salary) + (.181) x (salary structure)

NON PARAMETRIC DATA ANALYSIS:

PART-3: CORRELATION (SPEARMAN AND KENDALLS TAU)

Correlations

			Salary structure	Work Performance
Kendall's taub	Salary structure	Correlation Coefficient	1.000	.455**
		Sig. (2-tailed)	.	.000
		N	100	100
	work performance	Correlation Coefficient	.455**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100
Spearman's rho	Salary structure	Correlation Coefficient	1.000	.507**
		Sig. (2-tailed)	.	.000
		N	100	100
	work performance	Correlation Coefficient	.507**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Salary Structure and Work Performance are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman's rho being moderate at 0.507.

Correlations

			work performance	Group insurance
Kendall's tau_b	work performance	Correlation Coefficient	1.000	.233**
		Sig. (2-tailed)	.	.005
		N	100	100
	Group insurance	Correlation Coefficient	.233**	1.000
		Sig. (2-tailed)	.005	.
		N	100	100
Spearman's rho	work performance	Correlation Coefficient	1.000	.259**
		Sig. (2-tailed)	.	.009
		N	100	100
	Group insurance	Correlation Coefficient	.259**	1.000
		Sig. (2-tailed)	.009	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Group Insurance and Work Performance are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being low at 0.259.

Correlations

			work performance	overtime salary
Kendall's tau_b	work performance	Correlation Coefficient	1.000	.724**
		Sig. (2-tailed)	.	.000
		N	100	100
	overtime salary	Correlation Coefficient	.724**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100
Spearman's rho	work performance	Correlation Coefficient	1.000	.802**
		Sig. (2-tailed)	.	.000
		N	100	100
	overtime salary	Correlation Coefficient	.802**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Overtime Salary and Work Performance are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being high at 0.802.

Correlations

			work performance	yearly bonus schemes
Kendall's tau_b	work performance	Correlation Coefficient	1.000	.519**
		Sig. (2-tailed)	.	.000
		N	100	100
	yearly bonus schemes	Correlation Coefficient	.519**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100
Spearman's rho	work performance	Correlation Coefficient	1.000	.582**
		Sig. (2-tailed)	.	.000
		N	100	100
	yearly bonus schemes	Correlation Coefficient	.582**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Work Performance and Yearly Bonus Schemes are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being moderate at 0.582.

Correlations

			work performance	performance based incentives
Kendall's tau_b	work performance	Correlation Coefficient	1.000	.375**
		Sig. (2-tailed)	.	.000
		N	100	100
	performance based incentives	Correlation Coefficient	.375**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100
Spearman's rho	work performance	Correlation Coefficient	1.000	.426**
		Sig. (2-tailed)	.	.000
		N	100	100
	performance based incentives	Correlation Coefficient	.426**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Work Performance and Performance based incentives are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being low at 0.426.

Correlations

			Reward Recognition satisfaction	Employees intention to stay
Kendall's tau_b	Reward Recognition satisfaction	Correlation Coefficient	1.000	.659**
		Sig. (2-tailed)	.	.000
		N	100	100
	Employees’ intention to stay	Correlation Coefficient	.659**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100
Spearman's rho	Reward Recognition satisfaction	Correlation Coefficient	1.000	.741**
		Sig. (2-tailed)	.	.000
		N	100	100
		Correlation Coefficient	.741**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Reward and Recognition Satisfaction and Work Performance are significantly correlated at 0.01 level of statistical significance with the magnitude of Spearman’s rho being high at 0.741.

PART-7: GENDER WITH WORK PERFORMANCE

- 1) Mann Whitney test.
- Two sample t test

Work Performance with Gender

Ranks

	Gender of employee	N	Mean Rank	Sum of Ranks
work performance	Male	73	51.04	3726.00
	Female	27	49.04	1324.00
	Total	100		

Test Statistics^a

	affects work performance
Mann-Whitney U	946.000
Wilcoxon W	1324.000
Z	-.314
Asymp. Sig. (2-tailed)	.754

Grouping Variable: Gender of employee

Since the P-value is greater than 0.05, null hypothesis is rejected and alternate hypothesis is accepted. Gender does not have impact on the work performance.

CONCLUSION

The research shows that Salary Structure, Overtime Salary, Yearly Bonus Schemes, Group Insurance and Work Performance are significantly correlated.

Further, it is found that gender does not have an impact on the work performance.

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