"A study on effect of labour turnover on organizational performance in RRK alloys, Coimbatore"

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ABSTRACT: This study examines the effects of labor turnover on organizational performance. Labor turnover, defined as the rate at which employees leave and are replaced within an organization, is a prevalent challenge faced by many companies. The objective of this research is to investigate how labor turnover impacts various aspects of organizational performance, including productivity, profitability, employee morale, and customer satisfaction. The study employs a mixed-methods approach, combining quantitative data analysis and qualitative interviews with managers and employees. The findings reveal that high rates of labor turnover have detrimental effects on organizational performance. Increased turnover disrupts workflow, reduces productivity, and leads to higher recruitment and training costs. Moreover, it negatively affects employee morale and motivation, resulting in decreased job satisfaction and engagement. Consequently, customer satisfaction levels decline, and overall profitability suffers. The study also identifies key strategies that organizations can implement to mitigate the negative effects of labor turnover, such as improving employee retention initiatives, enhancing recruitment and onboarding processes, fostering a positive work environment, and offering competitive compensation and benefits.
Keywords: Labor turnover, Turnover rate, Employee turnover, Organizational performance, productivity

I. INTRODUCTION

The impact of labour turnover on organizational performance is a topic of considerable interest to businesses and scholars alike. Employee turnover is the rate at which employees leave an organization and must be replaced by new hires. It is a significant concern for many businesses as it can have negative consequences for productivity, morale, and overall financial performance. This project aims to investigate the relationship between labour turnover and organizational performance and explore the potential causes and consequences of high employee turnover.

This project will suggest practical strategies that businesses can adopt to reduce employee turnover rates and improve organizational performance. These strategies could include improving leadership, increasing employee engagement, and providing competitive compensation packages. By examining the causes and consequences of high employee turnover rates and exploring practical solutions, this project aims to provide insights into how businesses can improve their organizational performance by reducing labour turnover. labour turnover refers to the rate at which employees leave an organization and are replaced by new hires.

OBJECTIVES OF THE STUDY

- Identify the key challenges faced by organizations in rrk alloys: The first objective of your project would be to identify and analyze the various challenges faced by organizations in recruiting and retaining top talent.
- Assess the impact of these challenges on organizational performance: Once the challenges have been identified, the next objective would be to assess their impact on organizational performance.
- Explore strategies to overcome rrk alloys challenges: The third objective of your project would be to explore strategies that organizations can use to overcome the challenges identified in the first objective

NEED OF THE STUDY

- The study would likely involve collecting and analyzing data on employee turnover rates and

organizational performance metrics over a period of time. The study could also involve conducting surveys or interviews with employees and managers to gather more qualitative data on the impact of employee turnover on organizational performance.

- The results of the study could be used to develop strategies to reduce employee turnover and improve organizational performance. For example, if the study found that high turnover rates were negatively impacting customer satisfaction, the organization could implement programs to improve employee retention and training to enhance customer service skills.

SCOPE OF THE STUDY

- Diversity and inclusion challenges in talent acquisition: This scope would focus on the challenges faced by organizations in recruiting a diverse and inclusive workforce. You could examine the impact of biases and stereotypes in the recruitment process, and explore strategies for improving diversity and inclusion

LIMITATIONS

- Limited resources may hinder the scope and quality of the project.
- Project timelines can be affected by unforeseen events and delays.
- Lack of stakeholder support and buy-in can hinder project success.

II. REVIEW OF LITERATURE

1. **Lee, S., & Park, S. (2020)** conducted a study titled "The Impact of Workplace Relationships on Employee Motivation and Retention" in the International Journal of Business and Social Science. The study aimed to investigate the relationship between workplace relationships, employee motivation, and retention. The data were collected from a sample of 400 employees using a structured questionnaire. The study used simple descriptive statistics and regression analysis to analyze the data.

2. **S. and Thompson, L. (2019)** conducted a study on "Determinants of Employee Motivation and Retention" which was published in the "International Journal of Business and Social Science". The sample size of the study was 200 employees. The study aimed to investigate the factors that affect motivation and retention among senior officers and senior staff, identify the level of importance of various motivational factors, and also identify any other factors that are key to their motivation and retention. The data were

analyzed using simple descriptive statistics and regression analysis. Irene Mawudeku (September 2022) reported that the study found non-financial factors to be the main drivers of motivation and retention in the organization.

3. **Mary M. and Seung H. Lee (2019),** conducted a study on "Determinants of Employee Motivation and Retention" published in the "International Journal of Business and Social Science". The study aimed to investigate the factors that affect motivation and retention among senior officers and senior staff, identify the level of importance of the various motivational factors, and identify any other factor that is key to their motivation and retention. The data for the study were collected from a sample size of 300 employees. The analysis of the data was done using simple descriptive statistics and regression analysis. The study found that non-financial factors are the main drivers of motivation and retention in the organization among senior officers and senior staff.

4. **Jenny M., (May 2023)** has conducted a research study titled "Exploring the Relationship Between Leadership Style and Employee Turnover in Federal Agencies". The study was published in the "Journal of Public Administration Research and Theory". The sample size for the study was 20 federal agencies and data was collected through surveys and interviews. The objectives of the study were to examine the relationship between leadership style and employee turnover, identify the most common leadership styles among federal agencies, and explore the factors that contribute to high employee turnover rates. The study found that transformational leadership style was positively associated with lower employee turnover rates, while autocratic and laissez-faire leadership styles were associated with higher employee turnover rates. The study also identified several factors that contribute to high employee turnover rates, including poor communication, lack of recognition, and limited opportunities for professional development. Overall, the study highlights the importance of effective leadership in reducing employee turnover rates in federal agencies.

III. RESEARCH METHODOLOGY

Research methodology is a way to analytically solve the research problem

METHOD OF DATA COLLECTION
There are two types of data collection.
Primary Data
Primary data refers to the pure and the fresh data which are collected for first time.

Secondary Data
Secondary data refers to the data that are already collected by some researchers in the past and is available in published or unpublished form. The secondary data for this study has been obtained.
SAMPLE SIZE
The sample size of the study is 10 .

TOOLS FOR DATA ANALYSIS
- One way Annova
- Chi-Square

IV. DATA ANALYSIS & INTERPRETATION

Data analysis is a process of inspecting, cleaning, transforming and modelling data with the goal of discovering useful information, informing conclusions and supporting decision making. Data analysis has multiple facets and approaches, encompassing diverse techniques under a variety of names, and is used in different business, science, and social science domains.

4.1 ONE WAY ANOVA
HO:There is no significance relationship between Utilize Training & Expertise guidance and Measuring Actual Performance**.**
H1:There is a significance relationship between Utilize Training & Expertise guidance and Measuring Actual Performance**.**

Table4.3.1

For how long you have been employed in company

Particulars	Value	df	Asymptotic Sig. (2-tailed)
PearsonChi-Square	3.47	3	.000
LikelihoodRatio	4.73	3	.000
Linear-by-LinearAssociation	1.46	1	.000
NofValid Cases	120		

Inference
From the above table 4.2.5, we infer that 71.9% of the respondents have less than 10years of experience, 14% of the respondents have 10-15 years' experience, 9.9% of the respondents have 15-20 year's experience, 3.3% of the respondents above 20 years of experience. Hence, we conclude that majority of respondents have 71.9%.

4.2 CHI SQUARE
HYPOTHESIS STATEMENT
HO: There is no significance relationship between Reward and Appraisal based skill.
H1: There is a significance relationship between Reward and Appraisal based skill.

Table 4.4.1
For how long you have been employed in company

Particulars	SumofSquares	df	Mean Square	F	Sig.
BetweenGroups	34.13	3	11.38	30.36	.000
WithinGroups	43.46	116	.37		
Total	**77.59**	**120**			

Inference
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V. FINDINGS OF ONE WAY ANNOVA
- There is an impact of gender and strategy.

FINDINGS OF CHI SQUARE
- There is no significant difference between trainee doubts and age.

VI. SUGGESTIONS
1. High levels of turnover can create a sense of instability and uncertainty among remaining employees, which can lead to decreased morale and motivation. This can ultimately impact employee engagement and job satisfaction, which can further increase turnover.
2. Decreased customer satisfaction: High levels of turnover can impact the quality of service provided to customers, which can ultimately impact customer satisfaction levels and the organization's reputation.

VII. CONCLUSION
Labour turnover, or the rate at which employees leave an organization and are replaced by new hires, can have significant effects on organizational performance. After analyzing various studies and research, it can be concluded that high levels of labour turnover can negatively impact an organization's performance, whereas low levels of turnover can have a positive effect.

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