

A STUDY ON EMPLOYEE RETENTION STRATEGIES ON SCHNEIDER ELECTRIC, CHENNAI

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ABSTRACT

This study explores the employee retention strategies implemented at Schneider Electric, focusing on their effectiveness in addressing workforce challenges in a dynamic business environment. Through an analysis of retention factors such as career development, work-life integration, diversity, and feedback mechanisms, this paper examines how Schneider Electric sustains employee loyalty and drives operational excellence. It examines the challenges of employee turnover and evaluates strategies like career development, work-life integration, diversity initiatives, and feedback mechanisms. By leveraging both qualitative and quantitative data, the paper highlights the successes and limitations of these strategies in creating an engaged and loyal workforce.

KEY WORDS

Employee Retention, Schneider Electric, Work-Life Balance, Diversity and Inclusion.

INTRODUCTION

In today's competitive business environment, Schneider Electric prioritizes effective employee retention to sustain growth and innovation. Recognizing the high costs of turnover, the company focuses on employee satisfaction and engagement. Schneider Electric's multifaceted retention strategy includes career development, work-life balance, diversity, and well-being initiatives. By leveraging digital tools like the Open Talent Market, the company empowers employees to take ownership of their career paths. This holistic approach not only reduces turnover rates but also fosters a culture of loyalty and commitment, ensuring Schneider Electric remains a leader in its industry.

NEED FOR THE STUDY

1. Regularly assess and adjust salaries, and offer comprehensive benefits, including health insurance and wellness programs.
2. Invest in ongoing professional development, skills training, and establish mentorship programs.
3. Provide options for remote work, flexible scheduling, and encourage the use of vacation and mental health days.
4. Create a system for recognizing employee achievements and implement reward programs for outstanding performance.
5. Regularly solicit feedback through surveys and focus groups, and foster an open culture of transparent communication.

OBJECTIVE OF THE STUDY

1. Foster a culture of open communication and recognition to ensure employees feel valued and connected to their work.
2. Implement robust training and development programs to help employees advance their skills and career paths within the company.
3. Regularly review and adjust compensation packages to remain competitive in the industry, including benefits like health insurance, retirement plans, and bonuses.
4. Promote policies that support work-life balance, such as flexible scheduling, remote work options, and wellness programs.

5. Create a more inclusive workplace that values diversity, ensuring all employees feel respected and have equal opportunities.
6. Conduct regular employee feedback surveys to gauge satisfaction and identify areas for improvement.

SCOPE OF THE STUDY

The company focuses on employee retention through competitive compensation and benefits, regular salary reviews, and comprehensive health and retirement plans. They promote career development with ongoing training and mentorship programs, while supporting work-life balance with flexible work arrangements and wellness initiatives. Engagement is fostered through regular employee feedback and recognition programs that reward contributions, ultimately boosting morale and commitment.

LIMITATIONS OF THE STUDY

1. Schneider Electric operates in various countries and industries, leading to significant differences in employee expectations.
2. Implementing comprehensive retention programs, such as extensive training or enhanced benefits, can be expensive.
3. If employees perceive limited upward mobility within the organization, they may seek opportunities elsewhere, despite existing retention strategies.
4. Achieving consistent work-life balance across all teams and roles can be challenging, leading to employee dissatisfaction.
5. Effective communication about retention programs is vital; if employees are unaware of the available resources, they may not utilize them.

REVIEW OF LITERATURE

1. **Gothard and McLellan (2017)** highlight the importance of employee experience (EX) in modern retention strategies, arguing that efforts should extend beyond traditional compensation and benefits. They emphasize creating a holistic and positive employee experience, from onboarding to daily interactions, to foster long-term retention.

2. **Kossivi and Kalgora (2016)** studied factors influencing employee retention, identifying key elements such as development opportunities, work-life balance, compensation, leadership style, work environment, autonomy, training, and social support from previous research.

3. **Marie Rose Muir and Lin Li (2014)**: mainly identified a theoretical framework with two levels of turnover collective and individual turnover. They probed into each level and elaborated on the top factors in each domain. And focused on the effects on turnover and retention strategies are included for each factor.

RESEARCH METHODOLOGY

It is in the interest of the researcher to have a thorough understanding about the retention strategies adopted in this industry, and the employer, employee interest in the same.

PILOT STUDY

To have a basic idea about the employee retention programme adopted and the issues related to it a pilot study was conducted to find out the feasibility of conducting the study at Vistonsoft Technologies, Chennai. The researcher had a discussion with the HR Manager. This furnished the logical basis upon which the questionnaire was subsequently framed.

RESEARCH DESIGN

As the study attempts to describe the employee retention and analyze the employee awareness, the Descriptive Design seemed to be most appropriate and was therefore adopted.

SAMPLE SIZE

Accordingly, adopting the “Convenience Sampling” procedure, a total of 50 respondents were covered by the study.

DATA ANALYSIS AND INTERPRETATION

Questionnaire is the tool adopted by the researcher for collecting the data. It refers to securing answers for a set of pre-constructed form of questions to be filled in/ answered by the respondent. This method is followed because it is

- Cost effective.

- Free from bias of the interviewer.
- Rating will be done based on the respondents own thinking.
- Enough time is available for filling the questionnaire.
- All the respondents of the study are well educated and busy.

TOOL FOR ANALYSIS

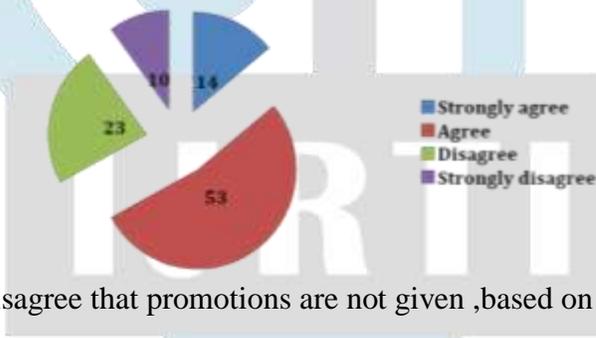
- CHI- SQUARE TEST
- SIMPLE PERCENTILE ANALYSIS
- ONE WAY ANOVA

TABLE:1 PROMOTIONS ON PERFORMANCE BASIS

Level of agreement	Number of respondents	Percent
Strongly agree	16	14
Agree	64	53
Disagree	28	23
Strongly Disagree	12	10
Total	120	100

Interpretation

Promotions is one which motivates the employees to work better, and it is like that of a reward given to the employees. It demonstrates most of the respondents (67%) agree that promotions are based on performance basis,



and the remaining (33%) disagree that promotions are not given ,based on performance basis.

Inference: Majority (67%) agree that promotions are based on performance basis.

CHI- SQUARE TEST

Chi-square is the sum of the squared difference observed (o) and the expected (e) data (or the deviation, d), divided by the expected data in all possible categories.

Alternate hypothesis (H1):

There is a relationship between the Experience and Promotions on a performance basis.

Case Processing Summary

EXPERIENCE * PROMOTIONS ON PERFORMANCE BASIS	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
	120	99.2%	1	0.8%	121	100%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	86.045 ^a	3	.000
Likelihood Ratio	108.095	3	.000
Linear-by-Linear Association	79.204	1	.000
N of Valid Cases	120		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 2.16.

FINDINGS

1. The study reveals that most of the respondents (62%) fall above 26 years of age and a majority of the respondents (82%) are male.
2. A great majority of the respondents (47%) are qualified M.B.A. professionals.
3. Most of the respondents (73%) have less than 5 years of work experience.
4. A great majority of the respondents (55%) are not given importance in decision making.
5. Most of the respondents (77%) agree that job related training is given regularly.
6. The study illustrates that (51%) there is no free flow of communication.
7. The study reveals (73%) that there are opportunities for career growth.
8. Majority of the respondents (77%) agree that there are opportunities for internal promotions.
9. The study reveals that (55%) organizational objectives are met through mutual goal setting.

SUGGESSTIONS

To enhance employee retention, it is crucial for corporations to address the comprehensive needs of their workforce. Respondents suggest that companies should reward employees adequately and recognize their performance promptly. Providing better opportunities for career growth and improving facilities and work environment are also essential. Additionally, fostering a respectful and friendly environment, along with ensuring job security, can significantly reduce turnover rates. Implementing these strategies can help retain talented employees, ultimately leading to a more stable and productive workforce.

CONCLUSION

Retaining organizational resources is paramount, particularly in IT firms where HR faces significant challenges. Effective retention strategies include examining the recruiting process, call center metrics, organizational structure, coaching, career planning, training opportunities, and organizational culture. By addressing these areas, senior management can develop strategies to minimize attrition, enhance productivity, boost employee morale, reduce staffing expenses, and improve service quality. These efforts contribute to creating a world-class organization where motivated and satisfied employees drive success.

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