

# **An Analysis of Factors Affecting Employee – Retention during Crisis of COVID -19**

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## **ABSTRACT**

The COVID -19 pandemic has hampered the economy of almost all the countries worldwide. It has caused huge sufferings and loss of life. Organizations throughout the industry opted for remote working due to lockdown announced after the outbreak of novel corona virus. This outbreak has disrupted global workforce fully/ partially which resulted in sudden loss of livelihood for many and is been a concern to organizations that are interested in succession planning in developing their talent development programs. This for instance has raised one of the most challenging issues in human resource management within the firm that is employee retention. Inefficient employee retention process within the firms is a challenging facet as it will increase organization overall cost and time spending to train the new employees. So, employee retention process needs serious attention during crisis. However, many studies have been dealt with the determinant factors of employee – retentions like compensation, career development opportunities, job security, work related stress etc. This conceptual paper is an attempt to study and focus on the factors affecting employee - retention during crisis. This study will provide a better understanding of how organizations could identify new factors to improve their employee – retention program during medical – based pandemics and financial slumps.

**Keywords:** COVID -19, Employee – Retention, Succession Planning, Career Development.

## **INTRODUCTION**

Employee retention is one of the most escalating concepts to companies in last decades as well as during pandemics. Many employee retention policies are aimed at addressing the various needs of employees to enhance their job satisfaction and reduce the substantial costs involved in hiring and training new staff. Employees are valuable assets for an organization and could be labelled as life – blood of an organization. Especially in pandemic times, employees being strategic assets of any organization should be managed, preserved and retained

with experience and skills in focus when they feel stressed and dissatisfied with the current job role because of associated factors. When a business loses employees, it loses skills, experience and “corporate Memory”. The Magnitude and nature of these losses is a critical management issue, affecting productivity, profitability, and product and service quality. Retaining key employees is vital for the survival and success of any organization.

A few associations have distinguished the issues behind turnover and figuring out how to hold the abilities by tending to the variables affecting over these. The need to hold the representative is that, as association has caused cost on enrolment and has put away enormous cash on every single worker for offering preparing to create them to fit for the association and to improve the proficiency of the workers, so clearly it is the assumption for the association to utilize the result of the preparation for its turn of events. To go up against the issue of wearing down of representatives, associations are making approaches as for enlistment, choice, acceptance, preparing and advancement, remuneration and advantages, planning position, assessment of work and pay principles and so forth, which thus assists with holding the representatives over the long haul. The goal of this paper to audit the examination papers by different specialists in the subject of representative maintenance which causes the HR supervisors to outline procedures to hold or upgrade the term of the workers in an association.

Talent Management is a concept arisen during late 1990s and is because of the foundation of numerous global organizations. It is more mind boggling to oversee gifts in worldwide associations than in a public business situation. The ability or capacity to keep the worker in an association is alluded to as retention in the HR the board setting. Each association is confronting a few difficulties to support in a dynamic and serious climate. Out of which, one of the essential difficulties is that to hold representatives over the long haul agreeably. Each resident has a privilege of freedom as indicated by our Indian Constitution. Thus, in an association point of view, each representative has a privilege of freedom to move starting with one association then onto the next

relying upon his/her comfort and furthermore by considering different variables like compensation, workplace, remuneration, benefits, profession improvement, acknowledgment, preparing and advancement and so on.

### **1.1 Statement of Problem**

Disruptive technology driven by Industry 4.0 have begun adding more fire to already Volatile, Uncertain, Complex and Ambiguous (VUCA) World and impacting lives, relationships and also the future of jobs. Today, world facing the uncertainty of COVID -19 Pandemic has created a lot of mess all over the world which has not only engulfed huge sufferings and loss of life but it also had an adverse effect on the economic wellbeing which includes job loss and reduction of salaries. Even, lockdown during this period has created a lot of stress among employees and mounting the debt pressure across the globe has resulted job dissatisfaction.

### **1.2 Significance of the Study**

The significance of this research is broad because by providing new factors of evidence, this research will be helpful for the HR departments of companies across the globe for managing workforce and retaining employees during turbulent and critical times like pandemic of COVID -19, this research will also serve as a reference and supplementary literature review for the researchers on pandemic related HR practices and studies.

### **1.3 Objective of the Study**

- To explore the variables impacting employee – retention in organization.
- To identify key factors influencing employee – retention during crisis.
- To propose suggestive steps to HRM for retaining their employees during pandemic.

## **REVIEW OF LITERATURE**

### **2.1 Employee Retention**

Employee retention is defined as an effort of an organization to provide and maintain a working environment which will motivate the employee to maintain in the organization (Herman, 2005). Employee retention is very crucial in an organization as it will give many benefits to the company. Many companies nowadays are concern with employee retention policies by addressing their employees need to improve their work satisfaction stay in the organization for maximum period of time. Mita (2014) defined employee retention as a technique adopted by businesses to maintain an effective workforce and at the same time meet operational requirements. Bidisha (2013) described it as a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project.

Employee-retention is generally ‘the intention of employees to stay loyal to their current-workplace’ (Huang et al.,2006). Thus, as cited by Govaerts et al (2015), the survival of organizations was highly-dependent on their human-assets. Subsequently, has it created; a mandatory requirement for organizations to retain those human-assets (Horwitz et al.,2003).

Human Resource is a piece of organization, albeit the job of HR division isn't simply restricted to oversee who will fill specific job or position in the association outline, this job is basic for the organization if the organization will place the perfect individual in the ideal spot for human resources effectiveness and operational achievement. Be that as it may, the critical step isn't just when organization might want to enlist representatives however how the organization keeps their workers.

Basically, employee retention refers to the ability of an organization to retain its employees. It relates to the efforts by which employers attempt to retain employees in their workforce. In this sense, retention becomes the strategies rather than the outcome. The success of the most competitive companies throughout the world, including education institutions, lies in their highly skilled employees on which these institutions spend millions to retain (Branham, 2005).

Chartered Institute of Personnel and Development report i.e. CIPD (2015) has recognized the variables for worker leaving as push and pull factors. Gary Dessler and Biju Varkkey, while examining a thorough way to deal with holding representatives, expressed that subsequent to distinguishing issues of maintenance, move can be made to support worker maintenance via pay rise, enlist shrewd, talk about vocations, give guidance, offer adaptability, alluring worker government assistance measures, HR rehearses for superior, authoritative agreements and so forth Priyanka and Dubey S K (2016) in their examination performed exploratory factor investigation utilizing head part method.

They have recognized representative turnover aims through eight factors like

- I. Quality of management practices
- II. Low compensation,
- III. No career development opportunity,
- IV. Absence of help from the companion, administrators and relatives,
- V. Small learning openings,
- VI. Helpless work space for example no working environment wellbeing,
- VII. Communication and
- VIII. Insecurity in job.

Kossivi and Kalgora (2016) endeavored to read the different components for maintenance from the discoveries of different past exploration considers and

brought a few factors like freedom for improvement, equilibrium between fun and serious stuff, pay, style of administration of the administration, workplace, self-rule, preparing and advancement, social help and so forth, In their examination, management and authority are investigated more and the variables like authoritative culture, self-rule and preparing and improvement are less investigated. Further the extension for additional exploration likewise expressed in the end that dependent on class of representatives should be possible in future. Employees stay loyal with such organizations where employees have value, sense of pride and work to their full potential, Cole (2000). The reasons for staying employees in organization are organization reward system, growth and development, pay package and work life balance.



## 2.2 Conceptual Framework

From this Conceptual Framework, this study aims to find out the factors that influence employee engagement. There are 20 variables in this research.

## III. EMPLOYEE RETENTION IN THIS PANDEMIC

Who on earth has at any point thought about the difficulties that 2020 would bring? HR experts/managers have surely not envisioned the difficulties that COVID-19 has occurred to them. The vulnerability has squashed the economy, representatives are in upsetting circumstances, and HR experts are making an honest effort to keep everything in context and adjusted. In any

case, is it as simple as it sounds? The abrupt move in work culture has brought new difficulties for HR. The main concern for HR experts is presently emergency reaction and how to keep the representatives drew in, give the correct correspondence channels and instruments for distant work, and the sky is the limit from there.

## The top HR challenges that managers are facing due to the COVID-19 outbreak

### a) Psychological health and Wellbeing

The unexpected move in work culture negatively affected employee wellbeing and prosperity. Stress, uneasiness, and other emotional wellness issues have consistently been there, and it is no new story. Associations have consistently been starting wellbeing programs and giving representatives security, medical advantages, and adaptability to assist them with conquering their medical problems. Be that as it may, the abrupt COVID-19 episode has gotten the representatives' psychological issues the front seat. At the point when you have your laborers working in an office workplace, you in any event comprehend their heartbeat and affectability, and that encourages you enormously to handle the issues. However, workers going far off, correspondence courses have been essentially undermined, leaving the supervisors confused or possibly less cognizant. In a new COVID-19 pulse survey, HR experts across the globe responded health and wellbeing of the laborers to be a significant concern.

### b) Managing Remote Work

The progress to distant work culture isn't just about as consistent as it appears. Before the COVID-19 outbreak, under half of organizations had a distant work program. Banks, directed enterprises, and financial services organizations didn't empower remote working. Presently practically every one of them hurrying to fabricate far off work techniques. This has prompted numerous unfamiliar issues. HR supervisors are attempting to construct consistent courses and methodologies to conquer the difficulties that it brings. Methodologies are not any more planned occasionally or ahead of time however progressively. The focus on employee productivity and engagement has shifted to immediate responses and diagnosis. To furnish employees with the correct instruments and furthermore accumulate ongoing updates from them occasionally to untangle the intricacies and offer support.

### c) Absence of Agility

One of the significant reasons why HR groups are battling is because of the absence of agility. Numerous HR groups are not designed for agility. Furthermore, this influencing the HR proficient for sure. In this emergency, it is basic to react quick and move rapidly. Yet, there are numerous endorsements to make a

preceding taking move. This hinders the way toward gathering information and takes quick estimates that an emergency request. To turn out to be lithier in their methodology and re-focusing on organization objectives and to have the correct correspondence and arrangement among centre administration and heads is the need of great importance now.

#### **d) Employee Communication**

Communication is another significant test that is on the need list. Communication, in itself, is a basic perspective that should be considered whether the labour force is working distantly. Without the correct Communication channels, it gets hard to deal with a labour force. The COVID-19 emergency had the HR experts on toes and kept them searching for the correct distant working apparatuses that suit their way of life. Despite the fact that devices like Zoom or Slack are generally used to address the issues of the labour force, it surely isn't sufficient to get everybody on the same wavelength.

#### **Pretty much the HR groups are giving a valiant effort by sharing-**

- Updates in regards to measures embraced by the organization,
- Updates from business pioneers through email or video,
- Connections to significant outside data sources,
- Continuous communication on HR approaches identified with the emergency,
- Also, through wellbeing talks and instructional meetings.

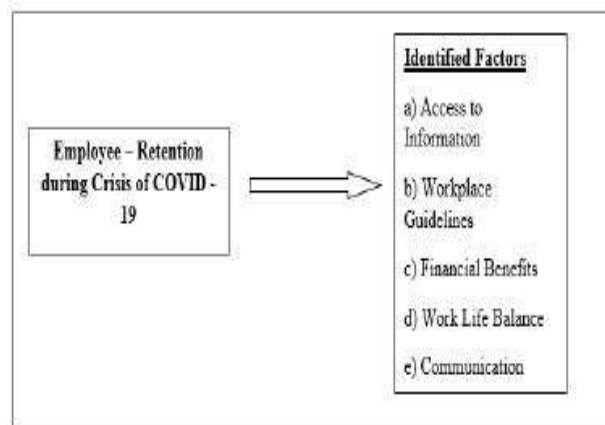
#### **e) Uncertainty**

Uncertainty can paralyze anyone. The overwhelming sensation of not understanding what's in store or what measures to take to support hierarchical tasks is an enormous test. We as a whole are pretty much influenced by vulnerability. Workers are influenced intellectually, not understanding what's in store for them, and the HR groups are battling to place everything in arrangement. To react to the emergency and create powerful measures and techniques for all.

#### **f) Employee Engagement**

A definitive organization objective is the profitability of its workers. It gets testing to keep the Employee connected with when they are working distantly and that as well, in an emergency. The inside communication is undermined, and keeping everybody in the same spot gets intense. With distant working, it is hard to follow a daily schedule and even aside from an orderly work process. At the point when the groups are cross-utilitarian, you have little ability to oversee them. Not updating them regularly or not arranging meetings/sessions can impact their morale to a great extent.

### **RESEARCH FRAMEWORK**



**a) Access to Information:** UNESCO, The importance of access to information during the COVID -19 pandemic and the finalization of the access to information law took centre stage during the event organized by UNESCO and the ministry of Information to commemorate the international day. As Camilla Ottosson, first secretary at the embassy of Sweden stated that, "Access to information is at the core democracy, it builds trust in the institution it allows the public to fulfil their fundamental rights, to make informed decisions, and so allowing them to participate in policy - making and decision – making process". Employees getting updated news related to regular flow of vital information that could help them to protect themselves and their families against the virus. Spread of misinformation itself had become pandemic to all as per the record that create a level of no assurance among employees and their people in community. Government providing proper Access of Information make people understand how to avoid infection and to seek treatment when needed. Access of Information and updates on pandemic and financial benefits are the most valuable factors that increase the retention level of the employees (Ashraf Saeed Elsafty et.al 2020).

**b) Workplace Guidelines:** The study highlighted by Eliza Lai – yi Wong et.al (2020), on workplace policies and its impact on health related quantity of life during corona virus disease (COVID -19) pandemic: Cross – sectional survey of employees that, the workplace policy and measure is an important mean to minimize infection risk at work – place so as to reduce tremendous stress and health outcome caused by a COVID – 19 Pandemic. World Health Organization (WHO) has made specific workplace guidelines to mitigate the risk of spread of novel Corona Virus and in their guideline it states that "When someone who has COVID-19 coughs or exhales they release droplets of infected fluid. Most of these droplets fall on nearby surfaces and objects - such as desks, tables or telephones. People could catch COVID-19 by touching contaminated surfaces or objects – and then touching their eyes, nose or mouth. If they are

standing within one meter of a person with COVID-19 they can catch it by breathing in droplets coughed out or exhaled by them. In other words, COVID-19 spreads in a similar way to flu". Workplace measures related to COVID -19 Pandemic should be further strengthen to mitigate at risk of infection and protect employee's health.

**c) Financial Benefits:** Trevor et.al (1997) has proved that rise in pay has a negative impact on turnover. Ashraf et.al (2020) proved that apart from that access to information and updates on pandemic with financial benefits and pandemic bonus are some elements that have a strong connection with the employee's retention. Based on the correlation analysis during pandemic financial benefits is one of the most important variables to the retention of employees. Ryann Redmond (2020) many employees were given certain financial benefits that allowed them to set up an effective and ideal setup at their home to make work from home more satisfactory to employees that unite the objective of individual and organizational goal whole together. Proper reward and recognition during pandemic keeps the moral of employees in balance. Silbert (2005) mentioned that rewards are vital in light of the fact that they have persisting impact on workers and support the employee's opinion of that they are esteemed and their contributions are appreciated. Rewards are considered as thanks giving gesture and acknowledgment representing hard work being paid off by the organization to its employees. With the provision of reward and recognition, employees are highly motivated and also ensure that staff turnover decrease. Milkovich and Newman (2004) have clearly stated that among all types of reward, monetary pay is considered one of the most important and significant factor in retention.

**d) Work life Balance:** Work from home policy is considered to support better work life balance. Pasewark and Viator (2006) stated that flexible work arrangement a very important part of work family support that plays pivotal rule in the retention of employees. Bhumika (2020), in her study concluded that COVID -19 induced nationwide lockdown made it mandatory for most of the employees to work from home. The struggle to juggle between work and family responsibilities emerged as one of the sources of emotional exhaustion experienced by employees during COVID -19 induced nationwide lockdown. WLB is one of the most important facets to be considered for negative relationship to employee retention. In a study conducted by the Australian Telework Advisory Committee (2006) it was found that 70% of businesses that incorporated telework options reported a number of positive benefits, such as increased business productivity and reduced costs, improved employee flexibility and work life balance, and increased workforce participation.

**e) Communication:** Gopinath and Becker (2000) indicated that effective communications improve employee identification with their agency and build openness and trust culture. Increasingly, organizations provide information on values, mission, strategies, competitive performance, and changes that may affect employees enthuse. Ashraf et. al (2020) based on his study on the role of human resource management towards employees retentions during COVID -19 pandemic in medical supplies sector has identified communication as an important retention variable during pandemic based on his contextual analysis as lack of communication on pandemic from companies official sources are need to be focused in current case of COVID - 19. He also concluded that proper communication have been done so that employee can inform the management about the problems which they are facing especially in the pandemic times.

## **V. SUGGESTIVE MEASURES TO HRM FOR RETAINING EMPLOYEES DURING PANDEMIC**

Based on the empirical evidences there are certain suggestive measures that can be a roadmap for Human resource management across the industries to retain employees during crisis. There were studies conducted to check several variables raised comparing retention before pandemic like COVID -19. Studies had shown giving employees financial benefits and the ability to continue in light of this crisis (i.e. part - time or partial unemployment benefits, in - work benefits or, more experimentally, wage insurance). While - well designed in work support can share the cost of labour market adjustments more equally the costs of labour market adjustments more equally across workforce groups, measures that preserve existing jobs for too long can stifle structural adjustments. The researchers had idealized that communicating with the employees from the management and inform them about the pandemic and intensity could be ideal for the employees to get satisfied and retain with the company accordingly. Studies had revealed that almost all working people worried about being infected and family getting infected by COVID - 19 in their workplace. The crucial aspects of guidelines for preventing the epidemic at workplace such as government's overarching policy in terms of the macro environment involving the closing of borders, home office arrangements, and financial support of businesses; thus timely and transparent organizational policies with operational instructions regarding protective measures and training in infection control are not evident that needs to be worked on. Communication being a trust builder is one of the most important aspects during pandemics within organization so that timely action could be taken and proper assistant could be given. Therefore, certain new variables are need to take care of namely Access to information and workplace guidelines along with financial benefits, communication

and work life balance for retaining the workforce during crisis for achieving productive outcomes.

### CONCLUSION

In this study there were two different objectives that are included in this conceptual work. Firstly, we had explored different determinants of employee retentions based on the empirical evidence. Secondly, we had seen there are certain new determinants that need more concern during pandemics.

The main aim of any organization is to earn profit. But to attain the maximum profit, the organization should concentrate more on employees and the ways to retain them for their long run. The papers had given certain evidences that Access of Information, workplace – guidelines & Financial Benefits are very vital aspect, if not properly dealt increase the retention level of employees. In terms of the current issues of COVID – 19 pandemic, communicating with the employees from the management & informs them about the pandemic and intensity could be ideal for the employees to get satisfied and retain with the company accordingly. Taking care of employees is not just the duty of Human Resource Management but identifying their needs all the times would make them feel valued and is a retention strategy too. The analysis of the employee retention policies and practices by HRM in the organizations covered under this study shows one thing very clearly that based on pre COOVID -19 situation the organizations are conscious of the need to manage people with care . They know that it is advantageous to have better people management practices. They not only have implemented good salary/compensation packages for the employees, but more importantly they take care of the career needs of the employees. And with the implementation to new practices by HRM based on identified factors in this study could keep up the things in pandemic crisis and times to come.

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