



Employees' Retention Measures in International Airport, Hyderabad –A case Study

K.V.Ramana Murty, Asst. Professor, Dept of MBA Andhra University Campus, Kakinada, AP

Abstract

Proper employee retention measures rather than wage promote the physical, social, psychological and general wellbeing of the workers and lead to effective use of manpower and work commitment. In this connection, an attempt is made in this research paper to find out the pattern of employee retention measures basing on the employees' perception of Ragiv Gandhi International Airport, Hyderabad. To analyze the Primary data, Statistical techniques like percentage, measure of knowledge index method, Chi-square test and 5 point scale rating method have been used. The study found some interesting issues like- about 29.31 percent of executive employees was 'highly satisfied' and 35.68 percent were 'satisfied' with employee retention facilities providing by the RGIA. The figures were varied in case of other measures of employees retention compared to the non-executive employees. The impact of age and sex of employees on welfare measures has also tested with null hypothesis. Basing on the satisfactory levels, some policy implications are added at the end.

Keywords: Retention facility, welfare measure, knowledge index, employee welfare,

Introduction

India is considered one of the fastest growing aviation markets in the world. With rapid liberalization of the Indian aviation policy, growth in air travel per capita and boom in the business/tourism sectors, the need for internationally benchmarked airports is greater than ever. It is fact that the growth of the organisation depends on the employee productivity / service returns. Thus, Companies that utilize effective employee retention strategies know that wages and benefits are not the most crucial factors in determining whether a worker will stay or leave.

Instead, employees want to feel that they are valued contributors. Three components to a successful employee retention program are selecting the right talent, leaving a good first impression and showing respect. Besides, employee welfare measures or *retention strategy* measures need to strengthen the organisation.

Welfare is a broad concept referring to a state of an individual or a group, in a desirable relationship with the total environment, ecological, economic and social. Employee welfare implies the setting up to minimum desirable standards and the provisions of



facilities like health, food, clothing, housing, medical assistance, education, insurance, job security, recreation, etc. such facilities enable the worker and his family to lead a good work life, family life & social life. Employee welfare measures are an effort towards revolving the industrial worker of his worries and making them happy. According to the Oxford dictionary 'Employee welfare means "the efforts to make life worth living for workmen." The need for labour welfare was strongly felt by the committee of Royal Commission on Labour as far back as in 1931. The resolution passed by the Indian National Congress for Fundamental Right and economic programme, in 1931 emphasized that the state should safeguard the interest of employee welfare. The Planning Commission also realized the necessity of Labour Welfare. Therefore, proper organization and administration welfare facilities can play a vital role in promoting better working conditions and living standards for industrial workers and also increase their productivity especially in developing countries (<http://www.scribd.com>).

Employee Retention Measures

A wide varieties of service and benefit programs. Viz., health programs, safety programs pension plan, recreational programs and other beneficial services are commonly following as employee retention strategies adopting by GMR International Airport at Hyderabad. However, it is important to note that whether all these programs are found in

the organization or not. Thus, it has to know how the employees perceive about the adequacy of these retention benefits providing by their employer. In this context, an attempt is made to study the levels these facilities providing by a large, well recognized government enterprise, namely the GMR Hyderabad International Airport Limited (GHIAL). Now it is called 'The Rajiv Gandhi International Airport (RGIA).

Importance of employee retention strategies

Employee retention strategies are in the interest of the employee, the employer and the society as a whole. The employee welfare measures improve the loyalty and morale of the employees. It reduces labor turnover and absenteeism. Retention/welfare measures help to improve the goodwill and public image of the enterprise. It helps to improve industrial relations and industrial peace and improve employee productivity. Keeping this in mind, the present study is conducted with the following objectives.

Objectives of the Study

1. To study the welfare facilities offered in RGIA
2. To identify the possible difference in the opinion of employees of various department regarding the welfare facilities of RGIA
3. To identify the satisfaction levels of the employees regarding employee retention measures at RGIA
4. To examine the relationship between the perception of welfare facilities



(welfare scores) and personal variables of employees and

5. To offer viable suggestions to improve the welfare facilities of AFT based on the opinion and expectations of the employees.

Methodology

The sample was chosen from a large well established RGIA. The information for the study has been obtained mainly by Primary data source. About 100 employees (50 members each from executives and non-executives) of RGIA were selected by convenient sampling technique. Data was collected with help of pre-designed questionnaire constructed on 5 point scale (highly satisfied, satisfied, no opinion, dissatisfied, and highly dissatisfied). Statement of rating scale score is given to these five points is 2, 1, 0, -1 and -2 respectively. Keeping the objective in mind, discussion was made with officials of the RGIA. In order to analyze the above said objectives – some statistical techniques like percentage and Chi-square test and measure of knowledge index were applied.

Hypothesis of the Study

Towards fulfilling the objective few working hypothesis were framed:

H1 -No significant relationship between age and the welfare/retention score

H2- Sex will not have any attitudinal difference towards the score of welfare/retention measures.

Limitations of the Study

The study is limited to only some of the department in the organization; hence it may not be universally applied to the organization as a whole. Considering the nature of the study and the complexity involved in the study sufficient time was not available, time factor is also one of the limitations to the study. It is assumed that answer given by the employees are true and adequate, therefore the study is a representative of the employees perceptions.

Analysis and Interpretations

About the Rajiv Gandhi International Airport

RGIA is a joint venture company promoted by the GMR Group (63 percent) in partnership with government of India (13 percent), government of Andhra Pradesh (13 percent) and Malaysia Airports Holdings Berhad (11 percent). The project is based on the Public Private Partnership (PPP) model and is structured on a Build, Own, Operate and Transfer (BOOT) basic. It was inaugurated on March 14, 2008. The Company was incorporated to design, finance, build, operate and maintain a world class Greenfield airport at Shamshabad, Hyderabad. Located strategically at the geographical centre of India within a two hour flying time to all the major cities in India, Hyderabad is well positioned and within a four hour radius from all major cities in the Middle East and South East Asia.

Employee Retention facilities:



Some of the employee retention facilities providing by the GHIAL/ RGIA as shown in table -1 is taken into consideration for the study. RGIA established a modern canteen with good quality food, timely lunch, hot snacks tea coffee and fruit juice are providing all the time to the staff members. Both north Indian & South Indian staff are serving. The large air condition dining hall with clean furniture is attractive. Recreation is also available through the 42 inch LCD TV fitted in pre-lunch and post lunch time. Amenities such as liquid soap tissue paper perfumed water are abundant in the dining hall.

RGIA provides uniforms to its ARFF, airport operation employees. Two pairs of uniform, one pair of shoe and 2 pairs of socks in every year of beginning is providing to the permanent employees. One travel bag and laptop bag is also provided for staff members up to M7 grade employees. The company is provided housing facilities by all its employees. Depending on the employee grade, one handset with phone bill is also provided. Transport and educational facilities to employees & their children are also satisfactory level. To encourage team spirit among the group and create a sense of belongingness, the company

contributes Rs. 2,500 per employee (including the family members) for the purpose of Picnic. Collection of books such as management, HR, Airport management training performance management, quality assurance, legal and reference books on technical subjects are maintaining in the library. Group medical insurance has also common to the employees.

GHIAL/ RGIA maintains a good dispensary with a qualified medical fractioned. In addition, employees' perceptions regarding the retention facilities are presented in Table 1. From the table, one can infer that there is general satisfaction with the overall organization welfare facilities as per the perception of the executives of RGIA. In overall 29.31 percent were highly satisfied and 35.68 percent were satisfied with the employee retention facilities provided by RGIA. Transport and housing facilities have highest measure of value (highly satisfied) followed by Educational facilities, Insurance Scheme, Leave facilities, Training & development Facilities occupied by satisfied level. Interestingly, about 27.43 percent of the employees are expressed no opinion in this regard.



Table -1 Executives' perception on Employee retention facilities

S. No	Employee retention facilities	Rate of 5 point scale					Total % (=50)
		Highly satisfied	Satisfied	No opinion	Dissatisfied	Highly dissatisfied	
1	Medical facilities	38.0	33.0	29.0	0.0	0.0	100.0
2	Canteen facilities	36	31	33	0.0	0.0	100.0
3	Transportation facilities	45	40	15	0.0	0.0	100.0
4	Leave facilities	36.0	48.0	16.0	0.0	0.0	100.0
5	Working conditions	38.0	44.0	18.0	0.0	0.0	100.0
6	Drinking water facilities	38.0	44.0	18.0	0.0	0.0	100.0
7	Recreational facilities	30.0	34.0	36.0	0.0	0.0	100.0
8	Insurance Scheme	39.0	40.0	21.0	0.0	0.0	100.0
9	Training & development Facilities	31.0	42.0	27.0	0.0	0.0	100.0
10	Educational facilities	32.0	49.0	19.0	0.0	0.0	100.0
11	Housing facilities	52.0	35.0	13.0	0.0	0.0	100.0
12	Social security scheme	20.0	40.0	40.0	0.0	0.0	100.0
13	Performance appraisal system is objective	14.0	15.0	42.0	29.0	0.0	100.0
14	Employer treatment is harmonious	37.0	33.0	24.0	6.0	0.0	100.
15	Decision making is fast & in-time	21.0	34.0	45.0	0.0	0.0	100.0
16	Promotions as based on performance	24.0	37.0	39.0	0.0	0.0	100.0
17	Grievance handling is timely ensured	20.0	31.0	49.0	0.0	0.0	100.0
18	Total (= 1700)	551.0	630.0	448.0	35.0	0.0	-
	Overall	32.41	37.06	26.35	2.06		100.0

Source: Field survey

Similar trend has found in case of non-executive employees. It is found from the table-2 that majority of the respondents equaling to 43.21 percent are satisfied the employee retention

measures (ERM) of the company and 31.49 percent are highly satisfied to the overall score. About 18.51 percent of the employees have no opinion about the facilities.



Table -2. Non- Executives' perception on Employee retention facilities

S. No	Employee retention facilities	Rate of 5 point scale					percentage to Total (=50)
		Highly satisfied	Satisfied	No opinion	Dis-satisfied	Highly dis-satisfied	
1	Medical facilities	40.0	50.0	10.0	0.0	0.0	100.0
2	Canteen facilities	40.0	36.0	17.0	7.0	0.0	100.0
3	Transportation facilities	20.0	56.0	22.0	2.0	0.0	100.0
4	Leave facilities	46.0	48.0	6.0	0.0	0.0	100.0
5	Working conditions	40.0	42.0	12.0	6.0	0.0	100.0
6	Drinking water facilities	40.0	42.0	12.0	6.0	0.0	100.0
7	Recreational facilities	30.0	36.0	17.0	17.0	0.0	100.0
8	Insurance Scheme	40.0	52.0	8.0	0.0	0.0	100.0
9	Training & development Facilities	32.0	44.0	22.0	2.0	0.0	100.0
10	Educational facilities	38.0	50.0	12.0	0.0	0.0	100.0
11	Housing facilities	56.0	36.0	8.0	0.0	0.0	100.0
12	Social security scheme	17.0	56.0	20.0	7.0	0.0	100.0
13	Performance appraisal system is objective	17.0	20.0	33.0	17.0	13.0	100.0
14	Employer treatment is harmonious	40.0	50.0	10.0	0.0	0.0	100.0
15	Decision making is fast & in-time	27.0	30.0	36.0	7.0	0.0	100.0
16	Promotions as based on performance	16.0	50.0	27.0	7.0	0.0	100.0
17	Grievance handling is timely ensured	23.0	37.0	33.0	7.0	0.0	100.0
18	Total (= 1700)	562.0	735.0	305.0	85.0	13.0	-
	Overall	31.49	43.21	18.51	5.33	1.46	100.0

Source: Primary data

Measure of retention facility Knowledge index

The differences in perceptions of executive and non-executives are varied regarding ERM. The satisfactory levels are higher in non-executive employees than the executive. The variation of *highly satisfied level ERM* between the two cadres is-

1. Non-Executive employees highly satisfied score is = 31.49 -----(1)

Executive employees highly satisfied score is = 32.41----- (2)

Thus, Variation is (above 1-2) = -0.92

2. In case of satisfied score of non-Executive employees = 43.21----- (1)
Score Executive employees = 37.07----- (2)

Thus, Variation is (1-2) = 6.14

Measure of retention facility Knowledge index at highly satisfied level:

- Knowledge index of executives on employee (highly satisfied) retention measures at 2 points score = $1102/1800 = 64.82$.



- Incase of non-executives retention measures at 2 points score = $1470/1800=81.67$

Thus variation between executive and non-executives = $81.67-64.82=16.85$

It indicates the non-executive scored more points than executives.

Measure of retention facility Knowledge index at satisfied level:

- Knowledge index of executives on employee retention measures at 1 point score = $630/900 \times 100= 70$ percent
- Incase of non-executives retention measures at 1 point score = $735/900 \times 100 =81.67$ percent

Thus, variation between executive and non-executives: $70.0-81.70= 11.70$. It indicates the non-executive scored more points than executives in this regard.

Interestingly, more number of executives compared to the non-executives is perceived *no opinion* regarding retention measures taken by RGIA, Hyderabad.

Sex and the Score of the Welfare Measure

An attempt has been made in table-3 to find out the impact of age level on the scores of welfare facilities. In order to analyze the above nul hypothesis was framed - No significant relationship between sex and score of the welfare measure.

Table 3: Sex and the Score of the Retention /Welfare Measure

Age	Employees	Score
Up to 35	20	60
35-45	50	776
45 and above	30	458

Source: Primary data

Calculated value is 17.10067, Critical value of chi-square is 3.84, D.F. 1, Level of significance 5 percent; since the calculated value is greater that critical value null hypothesis is rejected.

Table 4: Sex and the Score of the Retention / Retention Measure

Sex	Employees	Score
Male	86	86
Female	14	160

Source: Primary data

Basing on the data, calculated value is .46443; Critical value of chi-square is 3.84, D.F. 1, Level of significance 5 percent. The above table is framed to find out whether the scores of welfare measure have any impact on the sex. So as to analyze this hypothesis was framed "sex will not have attitudinal different towards the scores of welfare measures" Calculated value is .46443. The critical value is 3.84 for 1 degree of freedom at 5 percent level of significant. Since the calculated value is less that the critical value the hypothesis is accepted.



Summary of Findings

From the foregoing analyses the study brings to light some important findings. Majority of the executives and non-executive employees are highly satisfied with the housing facilities recorded by 52 percent and 56 percent. More than 40 percent of executives are highly satisfied with transport facilities next by insurance, working conditions, drinking water facilities.

About 40 percent and above 40 percent of non executives are highly satisfied the welfare/retention measures of medical, leave provisions, working conditions, drinking water facilities and insurance facilities. Similarly about 40 percent of them are felt that the employer is treating the employee harmoniously. The similar perception has recorded in case of satisfied rating of scale.

Employees are highly satisfied with the training facilities in the organization. Most of the employees agree that the appraisal process and grievance handling followed in the organization is un-biased. Majority of the employees opined that the human resource environment in the organization is good. Most of the employees agreed that the appraisal process and grievance handling followed in the organization is un-biased. Majority of the employees opined that the Human resource

environment in the organization is good. There is well co-operation among the management and employees. There is a harmonious relation among the employees so they think that, this organization will achieve top position in India.

Suggestions

It is necessary to improve total quality in all spheres with respect to innovation and creativity. As per the perception of the employees, the management should effectively utilize the training aids. Due to steam cooking, in the canteen large number of employees are facing gastric problem. This should be avoided by adopting alternative method of cooking immediately. About 26.35 percent of executives and 18.51 percent of non-executives to total score showed *no opinion* regarding the facilities. It may be lack of proper guidance or disappoint on the management. Thus, there should be a need of utmost care of every employee for successes the company goals. Some of the employees are dissatisfied about the management treatment and promotion procedure. Thus, proper suggestions of employees must be taken in this regard.

References

((<http://www.scribd.com>)).