



INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

A Study On Employee Attrition Rate And Its Causes In Reliance Trends, Navalur, Chennai

¹AARTHISWARAN S, ²D. BHAVANI

¹STUDENT, ²ASSISTANT PROFESSOR

^{1,2}Department of Management Studies,

^{1,2}Anand Institute of Higher Technology, Chennai, Tamilnadu, India

Abstract: This study explores the causes of employee attrition at Reliance Trends, Navalur, Chennai. Through a survey of 182 employees, key factors like low salary, limited career growth, and high job stress were identified as major drivers of turnover. Statistical tools such as chi-square tests and regression analysis were used for data interpretation. While training and culture received positive feedback, compensation and recognition systems were lacking. Over 30% of respondents considered leaving the organization. The study recommends HR strategies to improve retention and employee satisfaction.

I. INTRODUCTION

Employee attrition has become a critical concern in today's fast-paced and competitive business environment, particularly in sectors like retail where human resources play a pivotal role in operational success. The present study, titled "*A Study on Employee Attrition Rate and Its Causes in Reliance Trends, Navalur, Chennai*", aims to understand the underlying factors contributing to employee turnover within the retail segment. In the Indian context, retail is one of the most dynamic industries, but it is also highly susceptible to frequent staff exits due to factors such as low wages, limited career growth, work pressure, and job dissatisfaction.

This study focuses on Reliance Trends, one of the leading retail brands in India, and investigates both voluntary and involuntary attrition patterns using structured data collected from 182 employees. The research explores critical variables including salary satisfaction, career development opportunities, workload, employee recognition, and workplace culture. By applying statistical tools and analytical techniques, the study aims to uncover significant trends and offer practical recommendations that can help organizations reduce turnover and enhance employee retention.

II. REVIEW OF LITERATURE

Employee attrition has been widely studied across various sectors, particularly in the retail industry, where turnover rates tend to be higher due to the nature of work and employee expectations. According to *Sarma (2018)*, high attrition in retail can lead to operational inefficiencies, increased recruitment costs, and loss of organizational knowledge. It emphasizes the need for proactive retention strategies focused on employee engagement and satisfaction.

2.1 OBJECTIVE

Primary Objective

1. To study and analyze the employee attrition rate and its underlying causes in Reliance Trends, Navalur, Chennai.

Secondary Objectives

1. To examine the socio-economic profile of employees leaving the organization.
2. To identify the major factors influencing employee attrition, such as salary, job stress, career growth, and recognition.
3. To compare the attrition rate of Reliance Trends with other retail companies in the same sector.

2.2 NEED FOR THE STUDY

1. High employee attrition leads to increased recruitment and training costs.
2. Frequent turnover affects organizational efficiency and service quality.
3. Identifying the root causes helps in designing better HR policies.
4. Understanding employee dissatisfaction can improve engagement and retention.
5. A structured study assists in reducing attrition and enhancing productivity.

2.3 Scope of the Study

- The study is limited to Reliance Trends in Navalur, Chennai.
- Focuses on both voluntary and involuntary attrition among employees.
- Investigates internal factors such as salary, workload, recognition, and career growth.
- Uses responses from 182 employees through a structured questionnaire.
- Aims to provide actionable recommendations to reduce turnover at Reliance Trends.

2.4 Limitations of the Study

- The study is restricted to one location and may not reflect the entire retail sector.
- Data is limited to a specific time period and may not capture seasonal changes.
- Responses are subjective and influenced by individual perceptions.
- External factors like market trends and competitor policies are not deeply examined.
- Limited availability of secondary data restricted broader comparative analysis.

3.3 Theoretical Framework

The theoretical foundation of this study is built upon various organizational behaviour and human resource management theories that explain why employees leave their jobs and what factors influence their decision to stay.

One of the primary models underpinning this research is Herzberg's Two-Factor Theory, which distinguishes between hygiene factors (e.g., salary, job security, working conditions) and motivators (e.g., recognition, career growth, achievement). According to this theory, dissatisfaction with hygiene factors can lead to attrition, while the absence of motivators can prevent employee engagement and retention. The study also draws upon the Equity Theory, which suggests that employees evaluate the fairness of their compensation and treatment by comparing it with their peers. Perceived inequity in pay or opportunities can trigger dissatisfaction and result in voluntary turnover.

Additionally, Maslow's Hierarchy of Needs provides insight into the various levels of employee expectations—from basic needs like job security and salary, to higher-order needs like esteem and self-actualization. Failure to meet these layered needs over time may cause employees to seek better opportunities elsewhere.

The Social Exchange Theory is relevant in understanding the psychological contract between employees and the organization. When employees feel that the organization is not reciprocating their efforts with fair rewards or recognition, they are more likely to withdraw or resign. By applying these theories, the present study aims to interpret the observed patterns of attrition and provide meaningful recommendations for improving employee retention strategies at Reliance Trends.

Equations

Chi-Square Test

Used to test the relationship between categorical variables (e.g., gender and intent to leave).

$$\chi^2 = \sum \frac{(O - E)^2}{E} \quad \chi^2 = \sum \frac{(O - E)^2}{E}$$

Where:

- OO = Observed frequency
- EE = Expected frequency

III. RESEARCH METHODOLOGY

The research methodology outlines the systematic approach adopted to collect, analyze, and interpret data related to employee attrition in Reliance Trends, Navalur, Chennai. This study is both descriptive and analytical in nature, aiming to identify the key factors influencing employee turnover and to propose practical strategies for improving retention.

3.1 Population and Sample

The population for this study includes all employees currently working at **Reliance Trends, Navalur, Chennai**. This encompasses employees across different departments, designations, and experience levels, including both permanent and contractual staff.

From the overall employee population, a sample of **182 respondents** was selected using the **convenience sampling method**. These respondents were chosen based on their availability and willingness to participate in the study during the data collection period.

3.2 Data and Sources of Data

1. Primary Data

The primary data was collected directly from employees through a **structured questionnaire**. The questionnaire was designed to capture insights on various aspects of job satisfaction, compensation, career development, workload, and overall employee experience. The questions included both **closed-ended (Likert scale and multiple choice)** and a few **open-ended** formats to allow employees to express their views clearly.

- **Sample Size:** 182 employees
- **Respondents:** Employees from different departments, age groups, and job roles
- **Data Collection Method:** Direct distribution of questionnaires and personal interaction

2. Secondary Data

Secondary data was gathered from various reliable sources to support the primary research findings and provide a theoretical foundation for the study. These sources include:

- HR manuals and policy documents of Reliance Trends
- Academic journals and research articles on employee attrition and human resource practices
- Books and magazines related to organizational behavior and employee retention
- Reputed online resources and statistical databases relevant to retail industry employment trends.

3.3 Theoretical framework

The research methodology of this study is anchored in several foundational theories of organizational behavior and employee motivation. One of the key theories guiding the design of the research is **Herzberg's Two-Factor Theory**, which classifies workplace factors into hygiene factors (such as salary, company policies, and work conditions) and motivators (including recognition, advancement, and achievement). This theory provided a framework for structuring the questionnaire to capture both dissatisfaction-related and motivation-related aspects of the employee experience.

In addition, **Maslow's Hierarchy of Needs** was considered to understand the layered expectations of employees, ranging from basic needs like job security and income, to higher-order needs such as esteem and self-actualization. The survey items related to career growth, recognition, and work-life balance were influenced by this theory, as they reflect different stages of employee fulfilment.

The research also draws from **Equity Theory**, which suggests that employees assess their job satisfaction based on perceived fairness in compensation, workload, and treatment relative to others. This theory was useful in shaping questions that evaluate the fairness of salary structures, appraisal systems, and promotions within the organization.

Lastly, **Social Exchange Theory** supports the understanding that employees remain committed when they feel valued and supported by the organization. This theory underpins the interpretation of responses related

to organizational culture, management practices, and interpersonal relationships at work.

Together, these theories formed a robust conceptual base for developing the research design, identifying relevant variables, and analyzing the behavioral aspects behind employee attrition. They ensured that the methodology was aligned with both practical realities and theoretical insights, providing depth and credibility to the overall research approach.

DATA ANALYSIS AND INTERPRETATION

3.4 Statistical tools and econometric models

To analyze the data collected from employees of Reliance Trends, a combination of descriptive and inferential statistical tools was employed. These tools were chosen to identify patterns, test hypotheses, and measure relationships between key variables such as salary satisfaction, career growth, work stress, and employee attrition. Descriptive statistics were used to summarize and present the basic characteristics of the data, including mean, percentage distribution, and frequency analysis. This helped in providing an overview of the demographic profile and general response trends.

3.4.1 Descriptive Statistics

Descriptive statistics were employed in this study to summarize and interpret the basic features of the collected data, offering a clear and concise view of the demographic and attitudinal profile of the respondents. A total of **182 employees** participated in the survey, representing various roles, departments, and experience levels within Reliance Trends, Navalur.

The gender distribution showed that **66%** of the respondents were male and **34%** were female, indicating a predominantly male workforce. In terms of age, the majority of employees fell within the **21–30 years** age bracket, reflecting the youth-oriented hiring trend common in the retail sector. Educational qualification analysis revealed that a significant portion of employees were **undergraduates**, followed by diploma holders and a few postgraduates.

3.4.2 Correlation analysis

Correlation analysis is a statistical method used to measure the strength and direction of the relationship between two quantitative variables. In the context of this study, it was employed to examine the relationship between various employee-related factors such as salary satisfaction, career growth, job stress, and their intention to leave the organization.

The most commonly used method for this purpose is Pearson's Correlation Coefficient (r), which ranges from -1 to +1:

- A value of +1 indicates a perfect positive correlation.
- A value of -1 indicates a perfect negative correlation.
- A value close to 0 indicates little to no linear relationship.

FORMULA

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n \sum x^2 - (\sum x)^2] * [n \sum y^2 - (\sum y)^2]}}$$

3.4.2. Chi-Square Test

The Chi-Square Test is a non-parametric statistical tool used to determine whether there is a significant association between two categorical variables. In the context of this study, the test was applied to examine the relationship between employee characteristics—such as gender, education level, and job role—and their intention to leave the organization.

The test is particularly useful when analyzing survey data involving frequencies and counts, such as responses grouped into categories (e.g., “Yes” or “No” for intent to leave).

Chi-Square

Formula (O -

$$\chi^2 = \sum \frac{E)^2}{E}$$

Where:

- χ^2 = Chi-square value
- O = Observed frequency
- E = Expected frequency
- Σ = Summation across all categories

CONCLUSION

1. Findings

The study revealed several key insights into the patterns and causes of employee attrition at Reliance Trends. A majority of the respondents were male, aged between 21 and 30 years, and held undergraduate qualifications. Most employees had less than three years of work experience, indicating a young and moderately tenured workforce.

It was found that low salary satisfaction, limited opportunities for career growth, and lack of recognition were major contributors to attrition. While many employees expressed satisfaction with the training provided and the overall work culture, dissatisfaction with compensation and performance appraisal processes emerged as significant factors influencing their intention to leave. Notably, over 30% of employees admitted that they had seriously considered leaving the organization.

Statistical analysis confirmed that job stress, salary dissatisfaction, and lack of advancement opportunities were positively correlated with attrition rates, while favorable work culture and training support were negatively correlated.

2. Suggestions

- Enhance compensation structures to remain competitive with industry standards and reduce dissatisfaction.
- Strengthen career development opportunities, such as internal promotions, training for skill enhancement, and mentorship programs.
- Implement transparent and fair performance appraisal systems to ensure employees feel recognized and valued for their contributions.
- Introduce employee wellness and stress management programs to address job-related pressure and burnout.
- Foster open communication and feedback mechanisms to encourage employees to voice concerns and feel more engaged in the organization.

3. Conclusion

The study concludes that employee attrition at Reliance Trends is largely influenced by internal organizational factors such as pay satisfaction, growth opportunities, and job-related stress. While the company has strengths in training and work environment, addressing gaps in compensation and recognition systems is critical for workforce stability.

Attrition, if left unmanaged, can lead to increased operational costs, reduced productivity, and disruption of service quality. Hence, strategic HR initiatives aimed at improving employee engagement, career advancement, and fair treatment are essential to building a loyal and committed workforce. The study offers valuable insights that can assist Reliance Trends in developing effective retention strategies and fostering a more sustainable human resource environment.

IV. RESULTS AND DISCUSSION

The analysis of data collected from 182 employees of Reliance Trends provided valuable insights into the underlying causes of attrition. The study used both descriptive and inferential statistical tools—such as percentage analysis, chi-square tests, correlation, and regression—to interpret the results and identify key trends. The results indicated that a significant portion of employees (over 30%) had considered leaving the organization within the past year. Among the primary reasons cited were salary dissatisfaction, lack of recognition, limited career advancement opportunities, and high job stress. These findings were consistent

across gender and age groups, although younger employees (ages 21–30) appeared more likely to express dissatisfaction compared to older staff.

Chi-square tests revealed statistically significant associations between employee characteristics (such as education level and department) and their likelihood of considering resignation. Additionally, correlation analysis showed a negative correlation between salary satisfaction and attrition intention, and a positive correlation between job stress and intent to leave. This implies that as salary satisfaction decreases or stress increases, the likelihood of attrition rises.

4.1 Results of Descriptive Statics of Study

Variables Table 4.1: Descriptive Statics

Statistic	Salary Sat.	Training Sat.
N	182	182
Mean	3.12	3.25
Std. Deviation	1.07	1.02
Minimum	1	1
Maximum	5	5

Interpretation:

On average, employees report moderate satisfaction with both salary and training, with mean scores of $M = 3.12$ ($SD = 1.07$) for salary and $M = 3.25$ ($SD = 1.02$) for training. The slightly higher mean for training suggests that respondents feel somewhat more positive about development opportunities than about their pay. Both standard deviations indicate a similar spread of opinions around the midpoint, reflecting a mix of satisfied and dissatisfied employees in each domain. Since neither mean reaches the “Agree” level (4 on the scale), there is room for improvement in both areas. Overall, while training satisfaction edges out salary satisfaction, both sit squarely in the neutral-to-positive range, highlighting that organizational efforts in compensation and development are perceived as adequate but not outstanding.

REFERENCES

1. Bansal, R. (2017). *Employee Retention in Indian Retail Sector*. International Journal of Business and Management, 12(4), 102– 109.
2. Gupta, P., & Sharma, M. (2019). *A Study on Factors Influencing Employee Attrition*. Human Resource Review, 15(2), 56–64.
3. Herzberg, F. (1968). *One More Time: How Do You Motivate Employees?* Harvard Business Review, 46(1), 53–62.
4. Bansal, R. (2017). *Employee Retention in Indian Retail Sector*. International Journal of Business and Management, 12(4), 102– 109.
5. Gupta, P., & Sharma, M. (2019). *A Study on Factors Influencing Employee Attrition*. Human Resource Review, 15(2), 56–64.
6. Herzberg, F. (1968). *One More Time: How Do You Motivate Employees?* Harvard Business Review, 46(1), 53–62.