EMPLOYEE RETENTION STRATEGIES WITH REFERENCE TO BHARAT SANCHAR NIGAM LIMITED (BSNL)

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Abstract

This project is a reflection of the findings of the survey that was conducted tounderstand what BSNL is doing towards the retention of their employees. The project overview encompasses the objective, rationale and methodology adopted for the survey. It's a snapshot of why and how the project was carried out. The brief profile of BSNL aims not only to introduce the organization but also to impart a better understanding of the telecommunication Sector as a whole. The organization's Vision, Mission, Values and Beliefs are mentioned in a nutshell. The introduction to retention provides the theoretical base to build the project upon, and also to better understand the significance of the subject, highlighting the need for the organizations today to be more proactive in retaining their employees. The focus has been on why employees stay so that precautionary approach adopted by different organizations can be understood. The survey has also brought out the attempts made by the organizations towards building up of work environment focusing on employees, their morale, motivation, satisfaction and ability and willingness to be highly productive. At the same time, several reward and recognition initiatives have been developed to encourage desired employee behavior benefiting the organizations. The money factor has also been considered to understand the organization's approach towards developing their employee retention strategy around compensation, bonus and incentives etc.

I. INTRODUCTION

Philosophically, employee retention is important; in almost all cases, it is senseless to allow good people to leave your organization. When they leave, they take with them intellectual property, relationships, investments (in both time and money), an occasional employee or two, and a chunk of your future. Employee Retention Strategies helps organizations provide effective employee

communication to improve commitment and enhance workforce support for key corporate initiatives.

Effective employee retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their diverse needs. A strong retention strategy becomes a powerful recruitment tool. Retention of key employees is critical to the long-term health and success of any organization. It is a known fact that retaining your best employees ensures customer satisfaction, increased product sales, satisfied colleagues and reporting staff, effective succession planning and deeply imbedded organizational knowledge and learning. Employee retention matters as organizational issues such as training time and investment; lost knowledge; insecure employees and a costly candidate search are involved. Hence failing to retain a key employee is a costly proposition for an organization. Various estimates suggest that losing a middle manager in most organizations costs up to five times of his salary. Intelligent employers always realize the importance of retaining the best talent. Retaining talent has never been so important in the Indian scenario; however, things have changed in recent years. In prominent Indian metros at least, there is no dearth of opportunities for the best in the business, or even for the second or the third best. Retention of key employees and treating attrition troubles has never been so important to companies. In an intensely competitive environment, where HR managers are poaching from each other, organizations can either hold on to their employees tight or lose them to competition. For gone are the days, when employees would stick to an employer for years for want of a better choice. Now, opportunities abound. It is a fact that, retention of key employees is critical to the long-term health and success of any organization. The performance of employees is often linked directly to quality work, customer satisfaction, and increased product sales and even to the image of a company. Whereas the same is often indirectly linked to, satisfied colleagues and reporting staff, effective succession planning and deeply embedded organizational knowledge and learning. Employee retention matters, as, organizational issues such as training time and investment, costly candidate search etc., are involved. Hence, failing to retain a key employee is a costly proposition for any organization. Les McKeon's defined employee retention as, 'A systematic effort by employers to

create and foster an environment that encourages current employees to remain employed by having policies and practices in place that addresses their driver needs.'As noted by Weinberg (1997), "…an employee survey covering topics such as compensation, benefits, safety, work rules, manager behavior, and teamwork" can have a dramatic effect in minimizing employee attrition. These types of surveys provide employees an outlet for concerns and serve as a means for employers to identify areas in need of change before they become a problem of greater proportions. He notes that exit interviews given to employees upon resignation can also give companies insight into the concerns of workers.

Even a simple acknowledgement of an employee's good work can be quite a motivator. Clarke highlights that "…a pat on the back or a word of praise after they have worked hard to deliver for the company goes a long way toward building individual and group morale".

Paris (2002) agrees, stating that "…incentives provide the 'golden handcuffs' that keep from getting away"

Research Objective:

This approach to improving employee engagement is grounded entirely in research-based, theory-supported methods, deliberately avoiding superficial tactics like "employee of the month," suggestion boxes, or reward-based incentives that have been proven ineffective over decades of research. Instead, it applies a clear, systems-based framework to address the root causes of employee turnover and enable lasting organizational change. All strategies are customized to align with your organization's unique history, culture, strategic goals, and industry-specific challenges, including talent shortages and competitive pressures. By involving those who will implement the changes in the design process, the approach fosters greater understanding, ownership, and commitment to initiatives. It emphasizes practical, action-oriented solutions that deliver measurable progress while incorporating proven no-cost strategies that strengthen employee loyalty and connection. Ultimately, it brings cutting-edge organizational development .

II. REVIEW OF LITERATURE

1. The contemporary global economic environment has changed drastically and continues to-do so. Social developments such as continuing globalization, technological innovation, and growing global competition place pressure on companies and emphasize their need to maintain their competitive edge

(Burke and Ng 2023), at least in part through maintaining the skills of their employees. Companies have to be able to anticipate technological innovation and be able to compete with other companies worldwide. This need makes important a company's ability to evolve through the continuous learning and development of the employees

2. Having and retaining skilled employees plays an important role in this process, because employees 'knowledge and skills have become the key for companies to be economically competitive (Hilltop 2023). Therefore, it is important that employers give employees the opportunity to develop and learn (Arnold2005; Barnes et al. 2009; Herman 2022) such that the workers maintain their capacities as effective employees, resist redundancy, and are retained by their companies. Beyond these economic pressures, companies also face some disturbing demographic changes that can works.

3. The average age of employees in Western countries is increasing constantly. In addition, the workers of the so-called baby boom generation are gradually retiring (Burke and Ng 2006; Franketal. 2023). With the retirement of this generation is a significant loss of skills and other capacities which are not being easily replaced by simply hiring new employees. The ending of the careers of the baby boom generation means that companies lose competence (i.e. knowledge, and skills), all of which are essential in the current economic environment in which companies have to compete (Hilltop 2023).

4. Companies expect that the proportional rise in the ageing population will lead to global competition for the 'best 'employees. This 'competition 'will be the most intense in the search for Chief Executive Officers (CEO) (Conner 2000; Harvey and Richey2023). CEOs are considered by some to be the most important assets of a company. The fact that the majority of the current CEOs belong to the baby boom generation means that a shortage in the near future is highly likely Companies with policies that are future oriented and strategic might be aware of this problem and can take action to address it. For instance, they may

develop practices to identify, select, develop, and retain promising employees in order to ensure the presence of necessary skilled workers who can secure the quality and quantity of the goods or services they provide, and who can maintain their competitive advantage. These companies may also focus on employees with high potential who might have the ability to take on a higher (executive) function in the future (Dries and Peterman's 2008; Pepermans et al. 2023).

5. The organizations should start with identifying the employee turnover rates within a particular time period and benchmark it with the competitor organizations. This will help in assessing the whether the employee retention rates are healthy in the company. Secondly, the cost of employee turnover can be calculated. According to a survey, on an average, attrition costs companies 18 month salary for each manager or professional who leaves, and 6months' pay for each hourly employee who leaves. This amounts to major organizational and financial stress, considering that one out of every three employees plans to leave his or her job in the next two years.

6. Hytter (2022) explained that there are some factors such as personal premises of loyalty, trust, commitment, and identification and attachment with the organization have a direct influence on employee retention and workplace factors such as rewards, leadership style, career opportunities, the training and development of skills, physical working conditions, and the balance between professional and personal life have an indirect influence.

7. Garg & Rastogi (2022) explained that in today's competitive environment feedback is very essential for organization.

8. Ramlall (2022) stressed that a suitable work environment is the need of an employee in an organization as it will encourage commitment.

9. Nelson (2022) explained in his study that job satisfaction is priceless, incomparable and invaluable. Hopeless employees negatively upsetting the desire level of work. A little amount of employees which are satisfied with their work not only affect the performance but also the work environment affects the performance of employees and performance of organization.

10. Grossman, J.(2021) stressed that Work growth is the effect of employee performance in the organization as well as the result of organizational provenance provided to employees by organization. The Growth and productivity is the ultimate result of employee behavior such as performance, retention, satisfaction of employees.

11. Davies, Taylor, & Savery (2021) Compensation to top workers is given by every organization but very few organizations uses it strategically. They said that "Salary and benefits policies are not being used strategically, within the organization to improve morale, reduce turnover, and achieve targets within an establishment". In a research it was concluded that although compensation was not one of the top factors influencing no management turnover but compensation can act as a critical factor in reducing managerial turnover and increasing commitment.

12. Hom and Griffeth (2021) described in a study that the process of encouraging employees to stay for a long period or till the project completion is termed as retention. Winsock, B (1997) pointed out the view of "The Society of Human Resource Management" that retention of employee is the hottest topic in the current scenario.

13. Drucker (2021) explained that employees voluntarily quits their job is a potential retention issue. Trip, R, while discussing turnover stated that for many organizations, voluntary turnover is a big challenge. Turnover may be i. voluntary or involuntary and ii. Functional or dysfunctional Voluntary turnovers refer to leaving of an employee in an organization voluntarily i.e. the employee himself decides to leave/resign from the organization. In involuntary turnover, the employer expels the employee i.e. the employee leaves the organization unwillingly. It could be due to low performance, conflict or due to employment-at-will. When a low performer leaves the organization, it is referred as functional turnover. When a high performer leaves, it is referred as dysfunctional turnover which incurs cost to an organization.

III. DATA ANALYSIS & INFERENCES

1.Do you think that employee retention helps the development oforganization?

Number of Respondents

- Never
- Sometimes
- Most of the times
- All the times
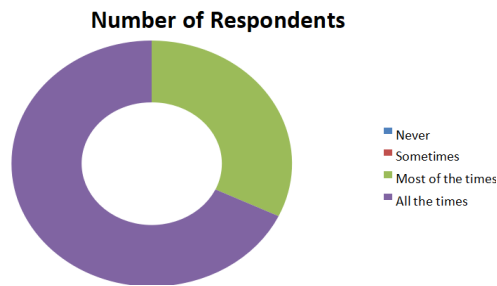
INFERENCE

There are a majority of employees who think that employees retention strategies helps in the development of the organization and also of the employees. There are about 34 out of 50 employees who think this way.
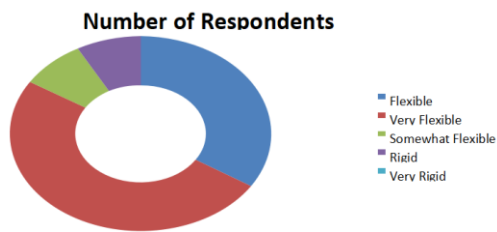
2. ROLE OF KNOWLEDGE MANAGEMENT IN NFCL:

Number of Respondents
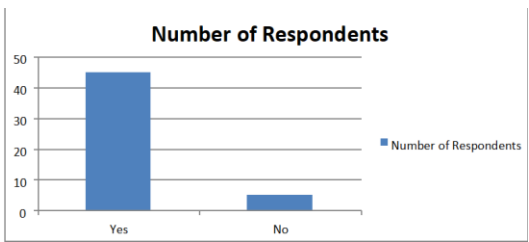
INFERENCE:

Majority of employees think that BSNL does consider when it comes to make policies on the retention issues. This is the majour.

3.How much flexible is BSNL when it comes in modifying its strategies?

Number of Respondents

- Flexible
- Very Flexible
- Somewhat Flexible
- Rigid
- Very Rigid

INFERENCE:

As of how much flexible BSNL is in modifying the retention strategies 17 respondents think that BSNL is flexible and 25 think that BSNL is very much flexible.

IV.FINDINGS

To foster a strong sense of belonging and improve employee retention, the company implements a variety of engaging and inclusive activities. Weekly departmental meetings are held to understand employee expectations and create a joyful work environment. Every 15 days, the company organizes fully sponsored fun trips to nearby destinations like Lonavla, Alibagh Beach, or Essel World, with the location chosen by employees themselves. Each employee is provided with a laptop and a free mobile or landline connection, including a monthly recharge. Additionally, employees enjoy two "My Days" each week, allowing personal time away from the office after 1:30 p.m. The company celebrates its Annual Day on December 24th with gift vouchers, lunch at a luxury hotel, and fun tours. Interdepartmental matches like cricket and volleyball promote teamwork, while cultural celebrations on festivals such as Sankranti and Diwali foster unity through

kite flying, traditional sweets, and festive attire. Daily departmental lunches further strengthen camaraderie by bringing team members together for shared meals. These initiatives collectively create a positive, inclusive culture that nurtures employee loyalty and engagement.

IV. CONCLUSION

Employee retention is a critical focus for the HR department, as employees form the foundation of any organization and are essential for translating corporate vision into tangible outcomes. While top management may develop strategic ideas, it is the employees who execute and bring those ideas to life. Ideally, employees would be fully satisfied—enjoying their work, colleagues, compensation, growth opportunities, and work-life balance—resulting in long-term loyalty. However, in reality, employees may leave for various reasons such as poor working conditions, lack of advancement, dissatisfaction, or personal circumstances. Unlike machines or systems, employees respond to organizational actions with emotion and analysis, making retention a complex and strategic challenge. Therefore, managing and retaining talent requires special skills, proactive strategies, and a human-centered approach. Tools like employee surveys and exit interviews can help uncover the root causes of turnover,

while HR interventions—such as improving hiring processes, onboarding, training, employee relations, and career development—play a vital role in fostering long-term engagement and minimizing attrition.

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