

Factors Affecting Retention of Non-Managerial Employees in Manufacturing Organizations in Ampara District

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Abstract

Suitable employees add a strong vitality to an entity, which becomes the ultimate source of the organization's functioning. Even if a company has many other resources, it will struggle if it does not have a dedicated human resource. Thus, employee retention is critical for a company because it keeps valuable talent on board, which pursues excellence across every sphere. Given the importance of employee retention, the main objective of this study was to investigate the factors affecting the retention of non-managerial employees in manufacturing organizations in the Ampara district while examining the affiliation among the factors to determine the most influencing factor. Compensation, superior-subordinate relationship, work-life balance, work environment were considered as the independent variables and employee retention was considered as the dependent variable. A questionnaire was distributed to 85 respondents, and data were collected using a simple random sampling process. To extrapolate on the results generated, the collected data were analyzed using the Statistical Package for Social Science Version 21. Correlation analysis and regression analysis were used to analyze the data. The results explained that the compensation, superior-subordinate relationship, work environment were significantly and positively affected employee retention while the factor of work-life balance did not reflect a significant impact on employee retention. This study proposed different mechanisms for enhancing non-managerial workers' salaries, superior-subordinate relationships, work-life balance, and work environment to improve their retention in the current organization.

Keywords: Compensation, employee retention, superior subordinate relationship, work life balance, work environment