

Do You Love Me? Attrition During Probation Period: Employee vs. Employer

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INTRODUCTION

With growing importance of proper resource allocation for profit maximization in the modern corporate culture, management of human resource has become a matter of concern. In the world of focused competitions, no organization wants to see failure. Thus, the think tank and the mobilizer of corporate strategies: Human resources pulls the competitive attention. In reality, managing the human resource is a multi dollar concept. Although from time to time, researchers have attempted to show the tactic strategies, but when it comes to the market, strategies are left behind. And most importantly, in a country where there is diversity, managing human resources becomes really tough. In reality, we see that in certain sectors, attrition is very high, and in some others, it is very less. It is difficult to say in random, the actual cause of this type of abnormality. Proper research is very important to find the contributing causes of this attrition. Companies spend a huge part of budget in attrition management, but very few strategies can find their own destination.

After going through the exclusive study on attrition management research, we came across few interesting facts that can act as a catalyst, in the management of attrition. With an aim to provide strategic insight to attrition during “probation period”, we attempted to bring out a survey based study focusing on the exploration of the factors that really contribute to the attrition during the probation period and finding the proper causes behind this. This research incorporates several factors related to attrition during probation with both quantitative and qualitative reasoning.

THEORETICAL BACKGROUND

Employers have a need to keep the employees from leaving the organization in a short duration. Employers want their employees to build up a lifelong relationship with the organization, contribute to the performance and success of the firm and become the force behind the growth in the long term. But modest aim generally ends with sorrow. Attrition is one of the most puzzling words in the management literature. It is because; the cause and effect relationship here is not absolute. Cause and Effect relationship is affected by multiple variables and it is difficult to build an empirical model/conceptual model on the basis of experience/data. The saying, *Good Help Is Hard To Find*, is even true these days because the job market is becoming increasingly tight (**Eskildsen 2000, Hammer 2000**). Employers fight to get talented employees to maintain the prosperity of the organization (**Eskildsen and Nussler 2000**). Employee satisfaction and customer satisfaction varies proportionately (**Mark Parrott 2000**). Growing competitiveness in the market puts pressure on the employees. These pressures generally give birth to mental agony in the mind of the employees. **Mark Parrott (2000)** says that today's employees pose a completely new set of challenges. As a result, tapping of talent becomes more complex. Employees that are satisfied and happy with their jobs are more dedicated and functional in customer service and business operation (**Hammer 2000; Marini 2000; Denton 2000**). Also, it has been proved that employees who are satisfied with their jobs are more productive, creative and are more likely to be retained by the company (**Eskildsen & Dahlgad 2000, Kim 2000; Kirby; Lee 2000; Money 2000; Wagner 2000**). Again, researches have proved that many environmental factors play a significant role in the retention of employees such as Pay and benefits, communication (**Brewer 2000; Wager 2000**), motivation, justice (**Kirby 2000; Tristram 2000**) and leisure time (**Rabbit 2000; Wilson 2000**).

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Industrial attrition literature also shows a few factors that affect the attrition which include employee turnover, commitment, motivation, changes in workplace, training and development etc. To this level, all things are fine. These findings are valid for the employees who stay in the organization for a long time. Unfortunately, no research has attempted to see the causal relationship between the attrition during probation and the probable reasons.

Many researchers say that the overall culture of the organization actually causes attrition. But here again, it is questionable that whether an employee staying only for a few months in the organization gets affected by the so called culture. Following this puzzle, the researchers attempted to find the probable reasons of attrition during the probation period. We took into account different time frame, different employees who left their organization in probation period for the research.

GAP

There is no co-relation between the cause of attrition during probation period and the steps taken to retain it. Since, it is not understood which factor makes an employee to leave the organization, measures cannot be satisfactory.

METHODOLOGY

The most important concern for an organization is to understand the underlying behavior of an employee. Most of the researchers, as argued, failed to understand the contextual implication one organization might face simply because of its location. Thus, the geographical location may cause a significant amount of dissatisfaction among employees; especially those who have joined recently and thus, their understanding of the way an organization functions are generally not adequate.

In the first step, broadly, qualitative research has been carried out. A total of 50 respondents were interviewed across various organizations. The type of sampling is a combination of **Simple Random Sampling** and **Convenience Sampling**. Random in a sense that certain organizations have been approached and the sample population was decided based on the representatives from various levels in management and convenience, in the sense that some of the responses were interviewed in course of daily life and work. The objective of the first phase of research is to identify some key attributes that people consider important for quitting their jobs in probation periods. Moreover, the interviews have helped the researchers in considering various demographic profiles, which are very important from the context of the study. Critical Incidence Technique (CIT) has been applied to understand the employee's perception and their organization's expectation. Employees were asked to recall various instances where they felt that the behavior shown by their employers were not fair. Most of the respondents cited similar sort of incidences and believed that most of the commitments made during the recruitment haven't been fulfilled. The key points have been listed immediately after the interview, thus, the results are consistent with 24 hours rule by **Eisenhardt and Bourgeois (1988)**.

Two independent coders identified the themes from the interviews so as to consolidate the findings in some meaningful themes. Cohen Kappa co-efficient has been estimated and the value 0.72 signifies high inter coder reliability. Frequency distribution for various themes signifies respondent's expectation from the organization.

One respondent from a bank, who was a relationship manager said: *"For the first 3 months of my tenure, I did not have a seat. Most of my customers had been entertained asking for space from other fellow colleagues who were senior to me. I asked my HR, Supervisors to give me a permanent space in the office. But they were too busy with sales figures of my superiors to listen to my request."* Another respondent from a reputed IT firm said: *"The day I entered the job, I was breaking 1kg stone and after 7 months when I decided it's enough, I was breaking 100kg of stones."*

One respondent from a construction company revealed that, *"I have seen my Line HR twice. Once, when I joined the organization and once, when I left. Both the times, he had only three word's for me - Best of Luck."*

The above mentioned responses give an understanding of the status of attrition management. The support from supervisors, the concern for employees, and resource availability are some important themes that have been revealed by most of the respondents.

DATA ANALYSIS

In the second step of the research, the researchers have tried to identify various factors that are important for attrition.

**Table 1: Demographic Profiling
Of The Respondents**

Employees	
Sample Size	50
Sector	
Manufacturing	10
Construction	15
Service	25
Gender	
Male	25
Female	25
Management Level	
Top	5
Middle	10
Junior	35

Table 2: Themes

	Respondents	Percentage
Availability Of Resources	13	26%
Support From Supervisors	15	30%
Fair Policy- Recruitment And Appraisal	11	22%
Organization's Support	4	8%
Working Environment	5	10%
Compensation	2	4%

Survey Data Analysis

The purpose of the same is to construct a framework that may be helpful to both academicians as well as HR professionals to identify the causes of attrition among employees in the provision period. 40 factors had been selected based on 3 FGD's that had been conducted in Mumbai, Hyderabad and Bangalore among 45 respondents (15 in each FGD). Although one might argue regarding the findings of the exploratory analysis, but FGD's have given the research a clear direction. A questionnaire was then administrated to 50 respondents. Respondents were asked to rate all the attributes on a 7 point likert scale. The component matrix extracted five factors. The attributes in each factor have been mentioned below.

✿ **FACTOR 1:** Flexible timings, adequate resources, working conditions, quality of working conditions, allowed to innovate, job security, distance between office and home, lack of space = **WORK PLACE CONDITION.**

✿ **FACTOR 2:** Work Pressure, Traveling (to contact customers), repetitive work, unclear targets, unclear job responsibilities, more than one reporting manager = **TYPE OF WORK.**

✿ **FACTOR 3:** Fair treatment among peers, fair treatment by supervisors, support from coworkers, support from superiors, Mentoring and feedback, Approachable supervisors, tolerance towards mistakes/errors, tolerance level, taking feedback, Supervisor concern, peer group motivation, work life balance, organizational support = **CULTURE.**

✿ **FACTOR 4:** Salary at par with friends, benefits at par with friends, allowances, salary on time, monetary rewards, non monetary rewards = **SALARY AND BENEFITS.**

✿ **FACTOR 5:** Opportunity for personal growth, opportunity for receiving promotions, opportunity for developing new skills, Training and development programs, adequate product knowledge, fair performance, creative criticism = **CAREER GROWTH AND DEVELOPMENT.**

Once the factors have been identified, the researchers decided to find the most important factor that actually affects the motivational level of respondents. Respondents were asked to rate the motivational level of the previous job on a 7 point likert scale. After regressing the motivation level with the factors which had been obtained after factor analysis, the researchers got the following regression equation :

MOTIVATION LEVEL= 4.00 + 0.665* WORK PLACE CONDITION + 0.143* TYPE OF WORK + 0.483*Culture + .211* SALARY AND BENEFITS + 0.510* CAREER GROWTH AND DEVELOPMENT

From the equation, it can be inferred that the most important factor for the respondents is the condition of the workplace, opportunities for career growth and culture at the workplace. The effect of salary and benefits on the motivational level is small in comparison to the other 3 factors. The regression output has been depicted in the Table 4.

Table 3: Factor Analysis Output

Component Matrix*					
	Component				
	1	2	3	4	5
wrkpressure	.617	.657	.386	-.195	.028
Flextime	.659	-.371	.282	-.278	-.520
adequateres	.799	.043	.502	-.274	.182
wrkcondition	.864	.123	.419	-.103	-.230
qualofwrkcon	.598	-.285	.548	-.396	.324
allowedino	.783	-.492	-.219	.267	-.157
Jobsec	.708	.025	.349	.507	-.345
disbetoffandhme	.720	-.583	.065	.331	-.164
lackofspace	.794	-.547	-.092	.248	.000
travelling	.061	.901	.240	-.235	.268
repetativewrk	.360	.629	.387	-.569	-.030
uncleartargets	.335	.915	-.144	-.143	.096
notclrabtresponsibilities	.313	.917	-.190	-.155	-.026
morethanonerep	.496	.756	.014	-.009	.427
fairtreatpeers	.387	-.450	.626	.268	.429
fairtreatseniormgt	.069	-.139	.905	.179	-.353
Supportcowrkers	.613	-.050	.684	.260	.293
Supportseniors	.206	-.281	.839	.235	.346
Mentoring	.432	-.256	.852	.104	.104
approachablesup	-.594	-.269	.744	.043	.141
Mistakesallowed	.017	-.070	.733	-.644	-.204
tolerancelevelsup	-.316	-.361	.737	-.474	-.038
Askingviews	-.236	-.287	.902	.141	-.170
Supervisorcon	-.359	-.293	.856	.228	.023
organizationsupport	.146	.448	.783	.197	.356
Worklifebal	.561	.527	.585	-.037	-.252
peergroupmotivation	.192	-.100	.932	.290	.020
salaryatperwithfriend	.153	.287	-.033	.901	.285
benefitsatperwithfriend	-.395	.360	.007	.837	.115
allowances	.356	-.095	.129	.902	-.185
salaryontime	-.131	-.262	-.112	.713	.627
monetaryreward	.393	.225	-.162	.827	.291
nonmonetaryreward	.329	.264	.033	-.905	-.031
opportunitypersonalgrowth	.401	-.292	-.187	-.300	-.793
opportunitypromotion	.010	-.043	.196	.057	.978
opportunitynewskilldev	.171	-.167	.632	.294	-.676
Training	-.557	.089	-.363	.223	.707
Productknowledge	.407	.403	.243	-.331	-.506
Appraisal	.018	.413	-.278	.264	.826
creativecriticism	.234	-.245	-.333	-.313	-.822
Extraction Method: Principal Component Analysis.					

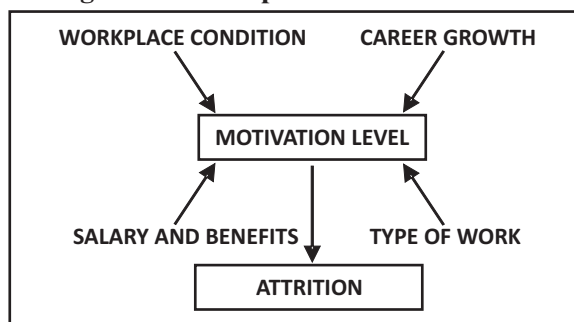
Table 4: Regression Output

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.
	B	Std. Error	Beta	
1 (Constant)	4.000	1.000		0.007
REGR factor score 1 for analysis 1	.665	.000	.254	0.062
REGR factor score 2 for analysis 1	.143	.000	.042	0.060
REGR factor score 3 for analysis 1	.483	.000	.593	0.055
REGR factor score 4 for analysis 1	.211	.000	.583	0.082
REGR factor score 5 for analysis 1	.510	.000	.492	0.025
a. Dependent Variable Motivation level				

The value of the R square is 0.972, which shows that the model is able to explain 97.72% of the variance in dependent variable. Based on the equations, the conceptual frame has been developed which is demonstrated as follows in Table 5.

Table 5 : Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1.	.986	.972	.954	.26094	.396	42.680	1	3	.007
Dependent Variable: motivation level									

Figure 1 : Conceptual Model: Attrition

The conceptual framework not only defines the relationship among various factors effecting attrition of new employees, but it also can be extended to identify the alignment between various policies and structural elements, thus understanding the hierarchical importance. Thus, the control and change required to overcome the same can be less troublesome and more fruitful.

RESEARCH FINDINGS

It has been found that unlike the case of the matured employees, where the reasons for leaving may take a wide range, in case of the employees leaving the job during the probation period, the picture is clearly different. It is generally thought that attrition during probation is caused by the payments and benefits. But in reality, this factor is rated least in the list. New employees actually require a good working condition. This working condition may include all the variables mentioned in the paper earlier. It may not be possible for the employer to satisfy all the needs. But new employees expect at least a few of their needs to be satisfied. If the minimum work life satisfaction can be provided, then it can be expected that employees will stay with the organization. We can add to the attrition literature, especially to the attrition during the probation period - that motivation to do well is a composite factor of working conditions, culture, career growth, payments and benefits and the types of work.

MANAGERIAL IMPLICATIONS/CONTRIBUTION TO ATTRITION LITERATURE

This research can be of immense help to the HR professionals. Now-a-days, human resource management is really becoming a tough job since talent seeks many things in their work life. Knowing the probable factors can really be of competitive advantage. In reality, the mentioned five factors hold good for all types of companies. Managers can see the practical utility of the findings by implementing these in their operations. We are sure that it will bring color if applied strictly. Along with that, managers can also correlate the sector specific and internal environment of the organizations while going through these strategies.

LIMITATION AND FUTURE RESEARCH PROSPECTS

This research was attempted in the Indian geography. Country specific behavior can be in affect while carrying this research. Also, the sample size was not big enough. There may be little variations in understanding the strength of the factors if the sample size increases. In future, a more specific research relating only a particular sector can highlight more specific details. We have tried to cover all the possible variables that may arise in the job. But sector specific researches and then compiling all the results may give a new outlook in a specific way. We hope that we will be able to carry out that type of research in the future.

CONCLUSION

This research is a noble attempt to capture the real market facts on the basis of live experience. We say that "*Organization Culture*" is responsible for the attrition of the new employees during probation. But have we ever thought that can one new employee understand the hidden facts related to the organizational culture? We never thought about that most important factor that really boosts attrition during probation. Working conditions of an organization can really make or break the game. When a candidate is hired from a college, candidates expect something from his/her dream organization. Once s/he joins the organization and sees that nothing is there to take care of, a natural feeling of leaving that organization occurs.

This research tells the responsible factors of Attrition. Companies can take all the variables within a given factor and see how well fit they are with respect to the operation of their companies. This paper opens up new opportunities for the attrition management of the companies for the employees during probation.

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INDUSTRY REFERENCE:

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- 2) Expert Comments from top management of 5 different companies.
- 3) Field data collection and web help.