

## **EMPLOYEE SATISFACTION IS THE KEY FOR ATTRITION AMONG YOUNGER GENERATION: A STUDY IN PHARMA COMPANIES OF ANDHRA PRADESH AND TELANGANA**

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**Abstract:** Attrition has been challenging to all the industries since years. In the pharmaceutical sector, managing and retaining skilled manpower has been a herculean task. Even more tough is controlling early attrition. Every time the research tries to understand the perspective of the employees with reasons for leaving the organizations. With the younger generation this has been a challenging task for every employer to retain them. Though the employers have implementing various innovative activities to retain the employees, still there is an element of dissatisfaction and therefore they want to leave. This research aims to uncover the key role of employee satisfaction in employee attrition among the younger generations in the pharmaceutical industry across Telangana and Andhra Pradesh. A structured interview questionnaire was used, targeting the younger generation. With early attrition becoming a universal issue, fostering employee retention has progressively become a critical aspect of HR's role in ensuring business steadiness with experienced professionals. This study endeavours to show how impactful is the employee satisfaction among the employees for retention.

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### **Introduction:**

Employee satisfaction is the key to retain the younger generation in the organization today. It is more than the money and career path what matters is the instant happiness to the current generation. This has been observed quite high in the recent times since post covid. Since covid has taught many lessons about life and its way of living, most of them are giving priority to living a happy life rather than focussing on the future. Adding to this Gig work style has given lot of scope for the younger generation to live their life as per their own choices. The IT and ITES and some other segments of the industries have work from style or Hybrid style is also one of the choices of most of the younger generations. Under these three conditions, the traditional manufacturing companies like pharmaceutical industries are having severe problem in getting the people for the job and even those who are joining are leaving as early as possible. Though most of the companies have implemented various measures to retain the employees in the organizations, still it is becoming very tough to retain the employees. All these practices are quite contradictory compared to olden days. The employees once joined in the organizations they used to get retired with the same organization or at the max they used to change one or two companies in entire professional work span. On the contrary the present generation has different perspective. They do not want to get retained for longer time. pre covid, on an average 3 years seems to be the ideal duration for the employee to stay in an organization which is also widely accepted by the employers, however post covid, this has reduced to 18 months to 2 years. But in the recent past when we interviewed the latest generation as part of our study, there is no specific time that they want to work. They don't mind quitting on the day two also if their workplace is not conducive to work. If they experience similar situation in couple of companies, they don't mind having their own business or gig work for their earnings.

**Overview of Pharmaceutical Industry:**

The Indian pharmaceuticals markets are one of the largest in terms of volume and value. It accounts for around 20% of Global Pharmaceutical industry demands as per a report by Equity Master.

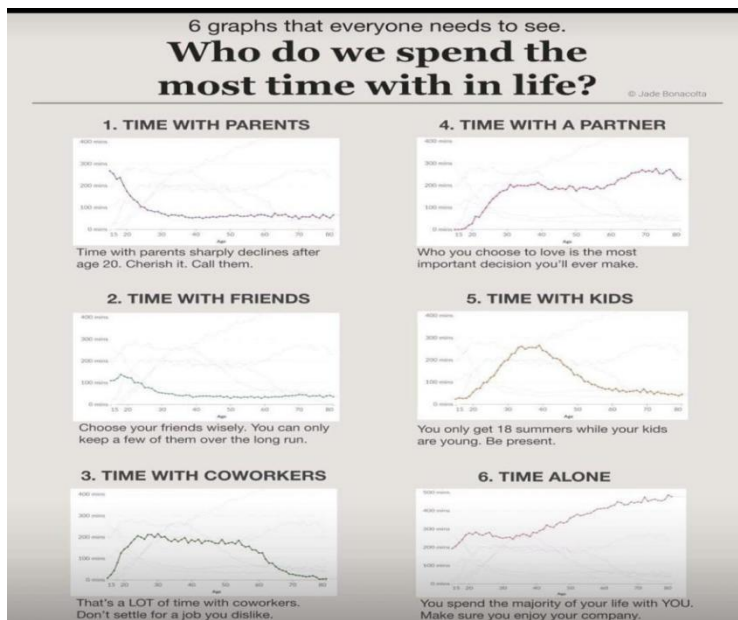
Pharmaceutical products are one of the important components of the health care operation and its charges and therefore pharmaceutical companies are working constantly towards the enhancement of the quality of the products which enhances the health of the consumers. Research shows further than commensurate increase in the spending on pharmaceutical products compared to increase in the charges on total health care globally.

The pharmaceutical companies not only contribute to the health care of the people but also contribute to the frugality of the country by creating jobs, developing ancillary industries, export earnings, contributing to the Gross Domestic Product (GDP) et cetera. Hence, the growth of pharmaceutical sector of a country is important for the growth of the country's frugality. A large portion of Indian population lives in the pastoral areas and a considerable portion of the Indian population are below the poverty line. It is a major challenge for the pharmaceutical companies, government, doctors, and other stake holders in the health care sector to pass the benefits of the outgrowth of Research and Development (R&D) to the really indigent people.

### Review of Literature:

Happy workers are productive workers and productive workers are likely to be happy. Employee job satisfaction is essential to face the dynamic and ever-increasing challenges of maintaining productivity of the organization by keeping their workforce constantly engaged and motivated and also satisfaction of the employee also makes them to stay longer with the organization.

Employee satisfaction is the feeling of an individual employee towards the organization either in positive or negative manner. Since the employees spend most of their time with the organization, satisfaction with the job that they are doing and also the satisfaction with the organization in which they are working matters a lot.



It is an emotional response of an employee towards the job, or the organization will make the candidate to possess the organizational citizenship behaviour of the employee. Therefore, Job satisfaction is one of the most popular and widely researched topics in the field of

organizational psychology (Spector, 1997). Employees who have higher job satisfaction are usually less absent, less likely to leave, more productive, more likely to display organizational commitment, and more likely to be satisfied with their lives (Lease, 1998)

Spector (1997) refers to job satisfaction in terms of how people feel about their jobs and different aspects of their jobs. Locke (1976) defines Job satisfaction has been studied both as a consequence of many individual and work environment characteristics and as an antecedent to many outcomes. Ellickson and Logsdon (2002) support this view by defining job satisfaction as the extent to which employees like their work. C.R. Reilly (1991) defines job satisfaction as the feeling that a worker has about his job or a general attitude towards work or a job and it is influenced by the perception of one's job.

Employee satisfaction is a factor in motivation, retention and goal achievement in the place of work and commitment is a factor that include no excess workload, treating employee with respect, provide recognition & rewards, fringe benefits and positive management.

Despite several studies carried out on employee attrition and employee retention, the researchers in the field of strategic human resource management are still investigating the causal mechanisms between HR practices and employee attrition rate and employee retention. According to Boswell, Boudreau and Tichy (2005), 'the decision of leaving the Organization is not easy for an individual employee as well as significant energy is spent on finding new jobs, adjusting to new situations, giving up known routines and interpersonal connection and is so stressful.' Therefore if timely and proper measures are taken by the Organizations, some of the voluntary turnover in the Organization can be prevented.

The factors as explained by Pettman, (1975), that influence employee attrition in Organizations are the individual work variables such as Job satisfaction, Pay, Promotion and Working condition.

There are various studies which unified attitudinal and/or behavioural changes to better forecast turnover. Sturman and Trevor (2001) said Demographic factors cannot be ignored as age, tenure, level of education, level of income, job category, gender have influenced employee retention and have been found to have stable relationship with turnover intention. While level of education is positively associated with turnover, the more educated the employees there is a tendency to quit (Berg, 1991); Relationship between gender and turnover showed mixed result, Cotton and Tuttle (1986) and Weisberg and Kirshenbaum (1993) found females more likely to leave than males and reported no relationship between gender and turnover. However, the reasons for employee turnover vary from one

Organization to the other and from one person to another as they are not getting what they expect from the Organization (Ongori, 2007).

Rhoades and Eisenberger (2002) revealed that by giving possible growth opportunities like, training and promotions may show employees concerns and create a feeling that their contributions are being recognized by their organizations. The career growth opportunities are positively related with POS says Wayne (1997). An individual will have greater POS if he/she feels that the organization is providing growth opportunities.

Ms. Deepti Sinha and co 2013, a study on employee retention in pharmaceutical study conducted in Dehradun city states that a proactive approach with lot of employee related benefits is very critical to the organization to retain the talented employees. According to Mr. S.V. Jayapal Reddy et. al. 2023 study conducted on the early attrition with various parameters, reports that the satisfaction with the organization and the kind of work culture plays vital role for retention rather than just the money.

**Problem statement:**

the study is focussing on to understand the various factors that are contributing to the workplace dissatisfaction and as a consequence leading to the attrition.

**Objectives of the study:**

1. To identify various factors which are causing workplace dissatisfaction.
2. To identify the factors which are contributing to the high workplace dissatisfaction.
3. To understand the differences between male and female dissatisfaction factors.
4. To find out the best methods to increase satisfaction to reduce attrition.

**Methodology:**

This nature of the study done was primary study. The data was collected was from the employees who have left the organizations in the recent past. Approximately last 6 months' time. A structured questionnaire was used to address the problem statement and achieve its objectives. The questionnaire comprises of various factors of employee attrition in pharmaceutical companies. Out of various factors that were used for satisfaction study, 9 factors have been identified through open group discussions with a closed group based on the current market situation. For the closed-ended questions, a 5-point rating scale is utilized, 1 being the strongly agree to strongly disagree. The questionnaire was used with negative tone as these are the resigned employees.

**Sample:**

We have rolled out the questionnaire to more than 800 employees on the basis of random sampling. but we could get the sample of 655 which are eligible for the study. Those that were rejected were either not completely provided the data or they reached after concluding this survey. The sample consists of employees who have less than 5 years of experience and left the organization. the sample consists of 20% of female and the rest is male. The sample consists of employees from various departments of pharma manufacturing companies.

#### **Interpretation and Analysis:**

Factors of Employee Satisfaction	Mean	Std. Deviation
<b>I did not feel safe and comfortable working in the organisation</b>	<b>4.246</b>	<b>.8724</b>
<b>My workplace was not comfortable to work</b>	<b>4.101</b>	<b>.9604</b>
<b>I was not satisfied with the growth prospects within current job role</b>	<b>4.100</b>	<b>.9591</b>
<b>I was not used to look forward to coming to work each morning.</b>	<b>4.025</b>	<b>.9334</b>
<b>I did not have a strong work life balance there</b>	<b>3.948</b>	<b>.9333</b>
<b>The managers were not transparent in sharing the information about the department progress</b>	<b>3.937</b>	<b>.9691</b>
<b>I am so involved in the work that I don't experience any stress at work</b>	<b>3.874</b>	<b>.9448</b>
<b>I was not satisfied with the CTC offered by the organization</b>	<b>3.576</b>	<b>1.0961</b>
<b>I feel that my salary was not at par with the roles and responsibilities that I perform</b>	<b>3.536</b>	<b>1.1555</b>

**Safety at workplace:** Form the above table it is evident that Safety and Comfort at the organization is very important at the work place for the employees. Employees did not feel safe and comfortable working in the organization, with a high mean score of 4.246. This indicates that employees need to be created a psychological safe environment both physically and psychologically for their wellbeing.

**Comfortable workplace:** Most of the employees of the opinion that their work place was not comfortable and therefore they left the organization. The mean score of 4.101 for the statement regarding the comfort of the workplace suggests that employees are not finding their immediate work environment comfortable. This is crucial for overall job satisfaction.

**Eagerness to come for work:** The statement about not looking forward to coming to work each morning has a mean score of 4.025, indicating a generally negative attitude among employees. This can contribute to lower motivation and engagement. When employees do not feel like coming to work every day, this becomes an up-hill task for the employee to settle at workplace and perform the best.

**Work-Life Balance:** The mean score of 3.948 for work-life balance suggests a moderate level of work life balance which can be cause of work dissatisfaction. If the employee is not

happy with the kind of work life balance provided by the employer, the employee feels that the company does not give importance to the employee work life balance and therefore they feel like quitting.

**Managerial Transparency:** Employees perceive a decent level of transparency from managers about departmental progress, as indicated by a mean score of 3.937. However, being in the information world, the current generation expects to be more transparent and open work culture. Transparent communication is crucial for building trust and a positive work environment. Most of the employees said they left the organization because of the lack of transparency and open culture.

**Stress at Work:** The mean score of 3.874 suggests that employees, on average, feel reasonably involved in their work and experience low stress levels. Maintaining this positive balance is essential for overall well-being.

**Growth Prospects:** Satisfaction with growth prospects within the current job role is expressed through a mean score of 4.100. It indicates a negative outlook on career development within the organization. Most of the employees were not aware about the kind of growth perspectives that they have in their organization. They feel that their career progression is not clear even if we perform well. Therefore, they would like to look for the organizations which have clear goal paths towards their future. Though the companies may be having the growth perspective but that needs to be communicated properly to the lower levels as well.

**Compensation Satisfaction:** Satisfaction with the Compensation and Benefits (CTC) offered by the organization has a mean score of 3.576. Addressing concerns in this area may contribute to overall employee satisfaction. Though the mean score is moderate with respect to the compensation, may those who are poor in financial performance may be opting to look out for the better opportunities.

**Salary Alignment:** The mean score of 3.536 indicates a lower satisfaction level with salary alignment to roles and responsibilities. Though most of them have invested in their studies, but that has not come about in terms of payment. Most of them feel that their salary is not on par with their qualifications and therefore they are quitting.

Overall, the organizations need to focus on several aspects like providing a safe, comfortable, and transparent work environment. Beyond the money aspects most of them feel that they need to be provided with the physical and psychological safe work environment which contributes to the satisfaction of the employees. Regular feedback mechanisms and

targeted interventions in these areas could lead to increased employee engagement and organizational success.

**Average Opinion Differences between Gender (Male and Female) with respect to the Employee Satisfaction**

Average Opinion Differences between Gender (Male and Female) with respect to the Employee Satisfaction	t	df	Mean Difference	Sig. (2-tailed)
<b>I felt safe and comfortable working in the organisation</b>	<b>-2.256</b>	<b>649</b>	<b>-.3096</b>	<b>.024</b>
<b>The managers were not transparent in sharing the information about the department progress</b>	<b>.536</b>	<b>649</b>	<b>.0820</b>	<b>.592</b>
<b>I was not satisfied with the growth prospects within current job role</b>	<b>-1.976</b>	<b>649</b>	<b>-.3094</b>	<b>.049</b>
<b>I was not satisfied with the CTC offered by the organization</b>	<b>-.897</b>	<b>649</b>	<b>-.1551</b>	<b>.370</b>
<b>I feel that my salary was not at par with the roles and responsibilities that I perform</b>	<b>-.949</b>	<b>649</b>	<b>-.1730</b>	<b>.343</b>
<b>I was not used to look forward to coming to work each morning.</b>	<b>-1.021</b>	<b>649</b>	<b>-.1504</b>	<b>.308</b>
<b>I am so involved in the work that I don't experience any stress at work</b>	<b>-1.744</b>	<b>649</b>	<b>-.2596</b>	<b>.082</b>
<b>My workplace was not comfortable to work</b>	<b>-1.918</b>	<b>649</b>	<b>-.2900</b>	<b>.056</b>
<b>I did not have a strong work life balance there</b>	<b>-1.221</b>	<b>649</b>	<b>-.1798</b>	<b>.222</b>

The table presents the average opinion differences between male and female employees regarding various aspects of employee satisfaction. There are a few areas where significant differences in opinion exist between male and female employees, in most aspects, there is no substantial distinction. The organization may consider targeted interventions or further investigations in areas where gender differences are observed to enhance overall employee satisfaction and address potential disparities. The following are the factors where there is a significant opinion difference.

**Feeling safe and comfortable working in the organisation:** The mean difference is -0.3096, and the p-value is 0.024. this is indicating that there is a significant difference in opinion between genders. Female employees, on average, feel less safe and comfortable compared to their male counterparts.



**Advancement opportunities:** The mean difference is -0.3094, and the p-value is 0.049. This indicates that a significant difference in opinion. Female employees, on average, have a lower awareness of career paths and advancement opportunities compared to male employees.

**Workplace comfortability:** The mean difference is -0.2900, and the p-value is 0.056. This indicates that a significant difference in opinion. Female employees, on average, have a lower workplace comfort compared to male employees.

**Findings from the study:**

1. Millennials employee attitude is changing towards the workplace from money oriented to more fulfilling work place.
2. Employees want more of physical and psychological workplace and if they are not able to find that in the initial days, then they are looking for alternative jobs.
3. Employees want to see their growth perspectives very clearly and they seem to be focus oriented towards their goal.
4. Employees want to have transparent work culture at their workplace.
5. Female employees have lower awareness, workplace comfort, awareness about the growth opportunities compare to their male counterparts.

**Suggestions:**

1. Employers should focus on creating more of safe workplace with better workplace facilities.
2. Employers should create a friendly and transparent environment at the workplace.
3. Employers should have a clear career path for each employee who is onboarding.

**Conclusion:**

Job satisfaction is an integral part of organizational health and important elements of an organization. the level of satisfaction has relation with various aspects of work behaviour such as absenteeism, work behaviour, colleagues' interaction, reporting style, organisation citizenship behaviour, turnover and productivity. The satisfied employees cause lesser accidents and higher productivity in manufacturing organisations. Also, less satisfied employees quit organizations much faster than the satisfied employees. The current generation focusses more on workplace happiness and workplace safety as high satisfaction areas compared to the money that they are receiving for their job which is unlikely to the older generation. The current generation, if they are not happy with the organisation or their job, they don't mind quitting without any notice or any job in hand. The changing market

conditions are much favourable to the younger generation to earn their livelihood much faster and better as per their comfort.

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