

## **REPOSITIONING OF RETENTION STRATEGIES FOR MANAGING NEW GENERATION WORK FORCE**

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### **INTRODUCTION**

“They are the newest generation work force to enter the labor market, yet they already have clear ideas about what they expect from you as an employer. They are in high demand, so if you can’t meet their needs, they’ll find someone who can.”

Stuart & Lyons,

Post liberalization is marked by a shift from command economy to market driven economy, from sheltered market to competitive market and domestic trade to global trade. Talented workforce are today far less restricted than in the past by traditional borders; they have greater scope to choose for whom they work, where they work and in balancing the location of their jobs with the requirements of their life-stage. As the global market for talent tightens, organizations must develop more systematic approaches to recruitment and retention. An ambitious start is to develop a roadmap and a competency framework to enable employers to recruit the right people, to ensure they are in the right job, and can be developed over time in the right way. The jobs market has changed, and many employers are finding that they no longer hold all the cards when it comes to retaining staff in today’s fast paced environment. Employees no longer prioritize holding a tenure with their current company over seeking a job elsewhere that better suits their lifestyle and career aspirations.

The past few years, it has become abundantly clear for HR managers that they need to reposition their employee retention strategies, in order to keep up with significant changes in the new generation work force needed. Finding out what motivates these new employees and how to best leverage their positive attributes is key to designing an efficient HR game plan.

### **Gone are the days of Employee Loyalty:**

Companies throw benefits at employees to see which ones stick unlimited vacation, free food, health clubs, parties, stock options. The question is Do these all result in Retention ? Most companies can’t really tell you. To effectively retain valuable staff, managers need to know what's important to each individual and work to remain an "employer of choice" for them. This is especially important for your top performers or those with scarce skills; they typically have more opportunities open to them because of their skills and experience. But managers also need to focus on their solid, stable performers. These employees often feel overlooked or undervalued, yet they form the backbone of your workforce.

All high performance environments share a serious devotion to results. They’re competitive, stressful workplaces where mediocrity is disdained and failure intolerable. Moreover, young generation employees who thrive in these environments tend to be a players with intense ambition. And they are always on the lookout for greener pastures. The challenge is often how companies approach retention reactively. Retention issues are ignored until the company suspects an employee might bail, at which point it’s addressed by offering the employee some kind of enticement to stay, and then it’s back to business as usual. This approach might work in the short-run, but does nothing to cultivate longer-term loyalty.

### **Challenges of HR Manager:**

Employee retention should be at the forefront of every company's radar. Employees want to know they are being treated fairly, receiving the highest compensation possible and being appreciated by their employers. Employee commitment is also very important for maintaining a highly talented workforce. With best possible use and application of HR policies in the organization, employee

commitment can be enhanced leading to better performance, improving employee attitude/ morale and reduced employees' turnover, which is the aim of the human resource practices. HR manager plays a major role on how these HR policies are implemented and to the utmost efficiency. Employee commitment can have a major role in low turnover rates as it has positive developments on productivity, turnover and employee's eagerness to help colleagues. In fact, increased employee commitment has shown better team performance, Low absenteeism and intention to leave. Therefore, employee commitment in a way helps employee retention and hence employee retention strategies must be kept in place. Well planned initiatives and processes must be in place so that employees will not think of quitting and remain with the company for a long time. For managers, to have a happy enthusiastic workforce will help him in achieving individual and organizations performance. But manager's job is not only to hire best candidates but also retain them. Most certainly one cannot retain all the best employees but can definitely reduce loss. Reducing employee turnover is most important for organizations.

**Objectives of the Study:**

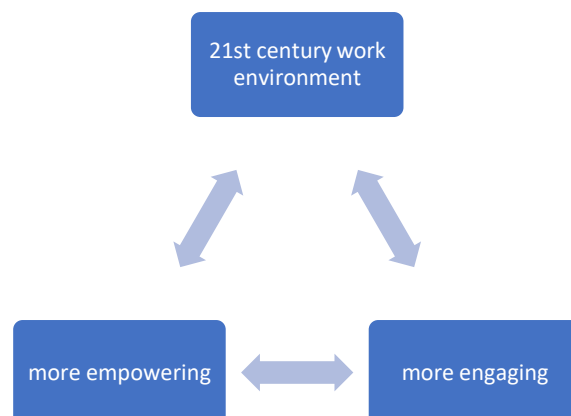
The main objective of this study was to identify factors that influence younger generation towards retaining them.

1. To identify the changing attitude of new generation work force towards work.
2. To identify the reframed retentions strategies for new generation work force.

According to research by T&D Magazine, in the United 14 © 2009 The Ken Blanchard Impacting the Workplace States, the cost of replacing an employee averages \$17,000. Workers making more than \$60,000 per year will cost organizations more than \$38,000 to replace. Replacing experienced employees includes intangible costs such as loss of corporate knowledge when employees walk out the door with corporate know-how. Another intangible cost associated when workers leave includes adding more work for existing employees, thus affecting their morale and productivity. Many businesses are struggling to keep pace with a new generation of young people entering the workplace. According to workplace experts, younger workers want a more collaborative work environment, less boring work, and more work-life balance. According to Monroe (2010), millennial generation is more driven by upward mobility in job, identity of their work and higher benefits will make them stick to the organisation for a longer period. Wey Smola and Sutton (2002) found that compared to baby boomers, younger generations are less loyal to their company and do not believe work is as important in their lives.

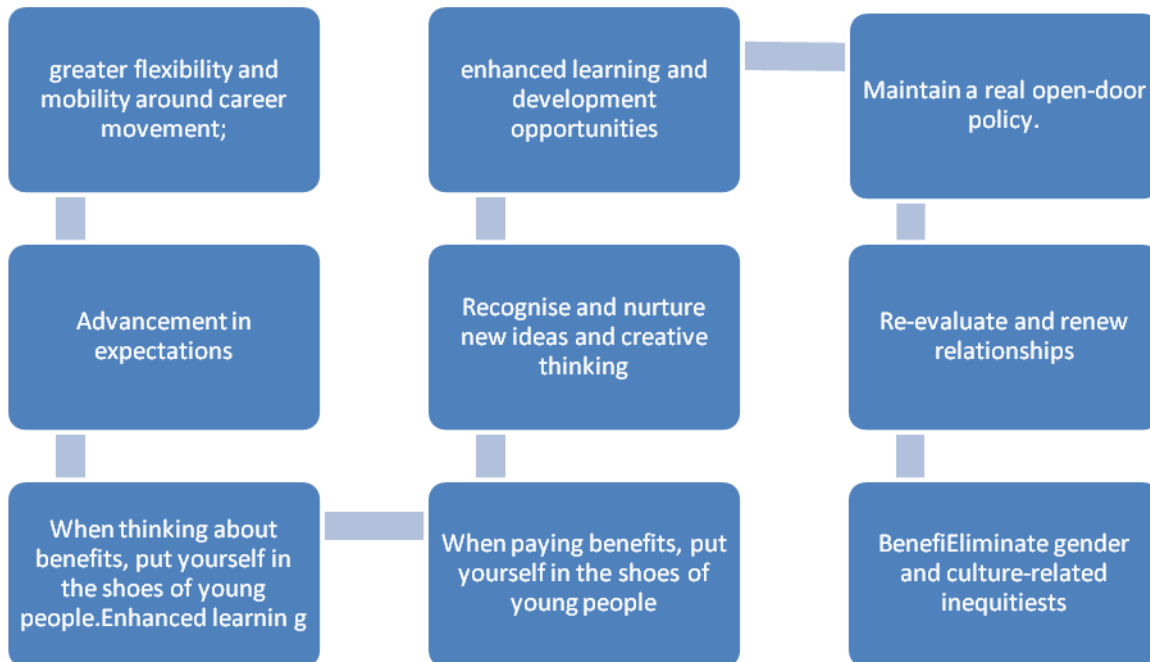
**REPOSITIONING THE RETENTION STRATEGIES TO MANAGE NEW GENERATION EMPLOYEES :**

With companies now having different generational mentalities and priorities, the corporate melting pot has to reframe the existing retention strategies by keeping in mind the different attitudes and work habits of younger generations.



The 21<sup>st</sup> century work environment has new generation work force who need more Empowerment and Engaging themselves. New generation work force are less committed to staying with the same company. Their priorities have changed from traditional retention strategies to repositioned retention strategies. Every organization should reposition their retention strategies based on younger generation expectations. In the opinion of Davis and Ruiz (2017), creating a positive work place condition and supportive supervisors will retain the millennial

### **REPOSITIONING OF RETENTION STRATEGIES**



A better approach should be made by every organization to combat employee attrition and retain employees. The above model depicts the reframed strategies for younger generation work force. Ng et al. (2013), found that millennials wish for a balance of personal life and career, with flexible working conditions, further supporting the idea that younger generations are not as work oriented as their predecessors.

### **Conclusion:**

Corporate HR managers today are devising new and varied methods to retain the new generation work force by rewarding them in many ways like paying them, managing them, giving the reasons to stay and provide hitech perks. New generation work force desire to develop themselves and their careers, and are attracted to those organizations that provide continuous development to Learn, Grow, and expand their capabilities and Career Opportunities. They are Loyal to employers who make investments in their Careers. Employers has to Reposition their retention strategies and put into practice to attract and retain new generation work force.

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