



A STUDY ON RETENTION POLICIES, PRACTICES AND STRATEGIES OF SME WITH SPECIAL REFERENCE TO SMES IN BHOSARI MIDC AREA

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Abstract

Human resource management is especially fundamental in small scale segment in India. Business visionaries must build up the skills of representatives. Setting up a small scale industry is generally simple for a venturesome person.

Be that as it may, overseeing it well and developing the business is considerably more troublesome. Besides, numerous small ventures neglect to make a stamp in the business in the more drawn out term. Since they neglect to change or create themselves and their skills with the changing need of their ventures.

Business people typically have a high level of persistence, hazard taking capacity, business inspiration, dignity, certainty and a requirement for autonomy. Likewise, they tend to buckle down, assuming individual liability for everything and an inclination for doing most things themselves.

Because of buckling down from the plan to beginning assembling, they progress toward becoming obsessive workers. Also, the most unintended result is you may neglect to give others access the association assume individual liability, encounter sentiments of commitment and achievement.

Keyword: *Level of Persistence, Hazard Taking Capacity, Business Inspiration, Certainty and Requirement for Autonomy.*

Introduction

There are many problems with Small scale industries. In a considerable lot of the Small Scale Industries, the limit usage isn't even half of the introduced limit. Almost 50% of the hardware stays inert. Capital is superfluously bolted up and inactive apparatus likewise involves space and should be adjusted bringing about expanded expenses.

Small Scale Industries need advertise information with respect to contenders, buyer inclinations, and showcase patterns. Since their generation volume is small and can't take care of demand for huge amounts their market is exceptionally confined. Presently with the procedure of progression and globalization they are confronting rivalry from neighbourhood industries and also remote contenders who move better quality items at lower costs. For e.g. intensely sponsored yet better quality imports from China has made the greater part of the Indian SSI units delivering toys, electronic merchandise, machine instruments, synthetic compounds, bolts and paper and so forth., unviable.

Numerous Small Scale Industries are not ready to coordinate the compensation and advantages offered by vast undertakings, in light of the fact that their incomes and productivity are low and furthermore dubious. This prompts work issues. Representatives battle for higher wages and advantages which the SSI can't give. This may prompt strikes, bringing about harm to property in the event of brutality by representatives, creation misfortunes and so forth.

Pune district is known as the centre of educational and cultural activities, home of politicians and social workers, and a source of inspiration for progress and development in all spheres of life. It is the second largest town in the state. The geographical area of Pune district comprises of 5.09% of the area of Maharashtra State. The literacy percentage in the district is high as compared to that of State. The district is well connected by rail and road to all important cities in the country. The district has major Defense and Research establishment. The Agriculture occupies major share in the economic activities in the district, followed by



industries and service sectors. The IT industry is developing very fast in and around Pune city. A special Info-Tech Park is established for development of IT industry.

Review of literature

As per the union budget for the year 2013-14 & Economic survey reports, Small and Medium Enterprises (SME) accounts for 94% of the entire Indian economy. It also provides employment to more than 36% of all Indian labor force and in private sector employment generation accounts for 47%. These figures show that huge workforce is employed by SME. Yet, HRM expertise is not popular in this business sector. With the available literature, it is understood that SME in India are practicing traditional human resource management practices with little focus on human resource development (Bickerstaff 1993, Hendry et al 1995, Dueler and Wally 1995, Wilkinson 1999, Chassell et al 2002). Again the literature on HRM in SME is inadequate. The need for extensive research is there in this field.

Research Methodology

This research is designed to study the “Retention Policies, Practices and Strategies of Small and Medium Scale Enterprises in Pune District”.

Objectives of Study

1. To study the impact of proper Talent acquisition and retention policies, practices and strategies on talent attraction and retention in SMEs
2. To study the impact professional talent acquisition and retention policies, practices and strategies in SMEs on facilitation to overcome the talent crisis

Hypothesis

Hypothesis for the study are given as under:

A hypothesis is a suggestions or proposed explanation made on the basis of limited evidence on a starting point for further investigation.

H.1 Professional Talent acquisition and retention policies, practices and strategies are followed as the solutions to overcome the growing talent crisis in SMEs

Data Analysis

1. H_0 : There is no significant association between following professional Talent acquisition and retention policies, practices and strategies and overcoming talent crisis in SMEs.
2. H_1 : Professional HRM practices (Talent acquisition and retention policies, practices and strategies) are followed as the solutions to overcome the growing talent crisis in SMEs.

To test the above hypotheses, One-Way ANOVA test is applied taking factors representing Professional Talent acquisition and retention policies, practices and strategies as dependent factor and preference of employees towards overcoming talent crisis in SMEs as fixed factor, where following results were obtained:

ANOVA						
		Sum of Squares	Df	Mean Square	F	Sig.
My organization follows professional human resource management practices	Between Groups	741.857	4	185.464	283.507	.067
	Within Groups	389.236	595	.654		
	Total	1131.093	599			
Professional HRM practices are required at workplace.	Between Groups	563.413	4	140.853	157.076	.103
	Within Groups	533.547	595	.897		
	Total	1096.960	599			
I know my rights in the organization.	Between Groups	708.834	4	177.209	301.490	.079
	Within Groups	349.726	595	.588		



	Total	1058.560	599			
I know my responsibilities in the organization.	Between Groups	484.407	4	121.102	136.747	.062
	Within Groups	526.927	595	.886		
	Total	1011.333	599			
I feel motivated in the organization.	Between Groups	826.830	4	206.708	478.695	.000
	Within Groups	256.930	595	.432		
	Total	1083.760	599			
There is transparency in the working.	Between Groups	667.382	4	166.845	324.473	.081
	Within Groups	305.951	595	.514		
	Total	973.333	599			
I get regular increment	Between Groups	743.683	4	185.921	325.697	.204
	Within Groups	339.650	595	.571		
	Total	1083.333	599			
Appropriate training and development practices are followed at my industry	Between Groups	796.479	4	199.120	379.470	.000
	Within Groups	312.215	595	.525		
	Total	1108.693	599			
Management takes timely feedback on human resource management practices	Between Groups	793.808	4	198.452	387.188	.000
	Within Groups	304.965	595	.513		
	Total	1098.773	599			

The above table studies the association between mean of the factors representing Professional Talent acquisition and retention policies, practices and strategies and preference of employees towards overcoming talent crisis in SMEs. Professional Talent acquisition and retention policies, practices and strategies are followed by the organizations at workplace, rights are known, responsibilities are known, feel motivated, transparency in working, regular increment, appropriate training and development practices and timely feedback on Talent acquisition and retention policies, practices and strategies.

Conclusion

It is found from the above analysis that the significance (p-value) value obtained from majority of the factors is more than the alpha value of 0.05 (p-value<0.05), which states that there is significant association between following professional Talent acquisition and retention policies, practices and strategies and overcoming talent crisis in SMEs. Thus, it is proved that, the hypotheses i.e. “There is no significant association between following professional Talent acquisition and retention policies, practices and strategies and overcoming talent crisis in SMEs” is rejected and alternate hypotheses i.e. “Professional Talent acquisition and retention policies, practices and strategies are followed as the solutions to overcome the growing talent crisis in SMEs” is accepted.

Further Scope of study

Further research can be done in following areas

1. Present research is based on Talent acquisition and retention policies, practices and strategies of SME’s of Pune only. For the better results bigger geographical area like Maharashtra or any other state with more districts should be taken.
2. In present research only Talent acquisition and retention policies, practices and strategies of SME’s are studied. However, the problems of SME’s are plenty and related to Government, Marketing, Supplier, Finances, etc. It is recommended that further studies should be done in these areas also.
3. Further analytical studies should be carried out taking into consideration the preferences of the Educational institutions including the SMEs for the placement of their students.
4. The preferences of the fresh job seekers joining the SMEs.



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