WCRG Global Research
WORLD COMET RESEARCH GROUP

International Journal of Commerce, Finance and Digital Economy
Vol. 9, No. 2, 2026
Doi: 10.67228/3071642X/IJCFDE-V9I2P103
PP. 13-20

Original Article

A Study on Employee Retention Strategies in Non-It Sector, Karaikal Region

I. Arulprakash[1], C. Mahendiran[2]

[1]*B.Tech., MBA, Assistant Professor, Department of Management Studies, E.G.S. Pillay Engineering College, Nagapattinam, Tamil Nadu.*

[2]*MBA Student, Department of Management Studies, E.G.S. Pillay Engineering College, Nagapattinam, Tamil Nadu.*

Received: 03-07-2026 Revised: 03-27-2026 Accepted: 04-05-2026 Published: 04-07-2026

ABSTRACT

The challenge of retaining talented employees has become a critical concern for organisations operating in the non-IT sector in recent years. This study, titled "A Study on Employee Retention Strategies in the Non-IT Sector, Karaikal Region", aims to examine the key factors influencing employee retention and identify the effectiveness of existing retention strategies adopted by non-IT organisations. The study focuses on factors such as compensation and benefits, job satisfaction, work environment, management support, leadership practices, career growth opportunities, and work-life balance. A descriptive research design was adopted, and primary data were collected from 150 employees using a structured questionnaire and the simple random sampling method. Statistical tools such as percentage analysis, chi-square test, correlation analysis, and regression analysis were used for data interpretation. The findings reveal that salary satisfaction and career growth opportunities are the strongest predictors of employee retention intention, while demographic factors such as age and gender show little direct influence. The study concludes that organisations can significantly improve employee retention by implementing structured career development programmes, competitive compensation packages, and employee-centric HR policies.

KEYWORDS

Employee Retention, Non-IT Sector, Job Satisfaction, Career Growth, Work-Life Balance, Attrition, HR Strategies.

1. INTRODUCTION

Employee retention refers to an organisation's ability to retain its employees and reduce employee turnover. In the present competitive business environment, retaining talented employees has become one of the major challenges for organisations, as employees contribute significantly to organisational growth, productivity, innovation, and customer satisfaction. High employee turnover leads to increased recruitment costs, training expenses, loss of organisational knowledge, and reduced operational efficiency.

The non-IT sector includes industries such as manufacturing, banking, retail, healthcare, hospitality, education, logistics, and other service sectors. Compared to the IT industry, employee retention in non-IT sectors often receives less attention despite facing several workforce challenges. Employees in these sectors frequently leave organisations due to dissatisfaction with salary, lack of career growth opportunities, poor work environment, job stress, and inadequate recognition.

Key factors influencing retention include compensation and benefits, career development opportunities, work environment, recognition and reward systems, and leadership and management style. Organisations that adapt to evolving employee expectations regarding meaningful work, flexibility, and supportive culture gain a competitive advantage in attracting and retaining talent. Studying employee retention strategies in the non-IT sector therefore helps identify factors affecting employee loyalty and supports managers in developing effective human resource policies.

2. NEED OF THE STUDY

The study is needed to assess whether the retention strategies practised by non-IT organisations are effectively addressing employee needs and reducing attrition, and to understand whether employees feel valued, motivated, and committed as a result of these strategies. Employees may also face barriers while accessing retention-related benefits, and the study helps identify such issues. By studying satisfaction levels, organisations can understand how retention strategies influence productivity, loyalty, and overall organisational performance, and the findings provide critical feedback to management so they can improve existing strategies or introduce new initiatives that better match employee expectations.

3. RESEARCH GAP

Most prior research on employee retention has concentrated on single industries such as manufacturing, banking, healthcare, or hospitality, or has been conducted in large metropolitan areas. Comparatively limited research has examined retention strategies across multiple non-IT industries simultaneously, or within semi-urban regions such as Karaikal. Further, many existing studies emphasise either compensation or career development in isolation, with fewer studies statistically testing the combined influence of salary satisfaction, career growth, and work-life balance on retention intention. This study attempts to address this gap by adopting a multi-sector approach within the Karaikal region and applying chi-square, correlation, and regression analysis together to assess the relative strength of these predictors.

ISSN: 3071-642X
PP: 13-20.

4. OBJECTIVES OF THE STUDY

- To analyse the key factors influencing employee retention such as salary, job satisfaction, and work environment.
- To examine the level of employee satisfaction towards existing retention strategies.
- To study the impact of management support and leadership on employee retention.
- To evaluate the role of career growth opportunities in retaining employees.
- To identify the major reasons for employee turnover in the non-IT sector.

5. SCOPE OF THE STUDY

The scope of the study is confined to employee retention strategies in the non-IT sector, covering employees from sectors such as manufacturing, banking/finance, retail, healthcare, hospitality, education, and construction within the Karaikal region. The study analyses factors such as salary, job satisfaction, and work environment, and examines training, rewards, and career growth opportunities, while considering both employee and employer perspectives.

6. REVIEW OF LITERATURE

Sharma (2026) emphasised that compensation and career development are the primary drivers of employee retention in the non-IT sector, with recognition programmes and strong leadership significantly reducing voluntary turnover in manufacturing and retail industries. Ramachandran (2026) highlighted that work-life balance and job security are critical retention factors, with employees in healthcare and banking sectors valuing flexible working hours and stable employment contracts over monetary incentives alone. Kavitha and Selvakumar (2025) found that employee recognition and appreciation programmes significantly improve retention in manufacturing industries, with employees who feel acknowledged demonstrating greater organisational loyalty. Venkataraman (2025) showed that leadership quality and managerial support are among the most significant predictors of employee retention, with positive supervisor relationships reducing the likelihood of employees seeking alternative employment. Mohan and Krishnamurthy (2022) examined retention in the hospitality sector and found that irregular working hours, limited career growth, and poor salary progression were major causes of attrition, recommending structured career paths and improved working conditions. Meenakshi Sundaram (2021) studied compensation management in manufacturing SMEs and found that salary competitiveness and timely wage payment were the most significant factors influencing retention among factory workers. Padmaja and Vasanthi (2020) examined the healthcare sector and found that work-life balance and emotional support from supervisors significantly influenced the decision of nursing and paramedical staff to remain with their organisations.

7. RESEARCH METHODOLOGY

- Research Design: The study adopts a descriptive research design to accurately describe the current state of employee satisfaction with retention strategies in the non-IT sector, rather than manipulating conditions or testing interventions.

ISSN: 3071-642X
PP: 13-20.

- Data Collection: Primary data were collected through a structured questionnaire containing closed-ended questions administered in hardcopy format to selected employees, and analysed using statistical methods.
- Sampling Technique: A sample of 150 employees from various non-IT sector organisations was selected using the simple random sampling method, ensuring every employee in the study population had an equal chance of being selected.
- Tools Used for Analysis: The collected data were analysed using percentage analysis to study the demographic profile of respondents; the chi-square test to examine the relationship between demographic variables and retention intention; correlation analysis to examine the relationship between gender and work experience; and regression analysis to examine the combined impact of salary satisfaction, career growth opportunities, and work-life balance on retention intention.

8. DATA ANALYSIS AND INTERPRETATION

8.1. Percentage Analysis

Table 1: Age of the Respondents

Age Group	Frequency	Percentage
22–27 Years	74	49.3%
28–33 Years	42	28.0%
34–39 Years	21	14.0%
40–45 Years	9	6.0%
46–50 Years	4	2.7%
Total	150	100.0%

Interpretation: The table shows that the majority of respondents (49.3%) belong to the 22–27 years age group, followed by 28.0% in the 28–33 years category, indicating that early-career professionals form the predominant workforce segment in the non-IT sector sample.

Table 2: Gender of the Respondents

Gender	Frequency	Percentage
Male	86	57.3%
Female	64	42.7%
Total	150	100.0%

Interpretation: 57.3% of respondents are male employees and 42.7% are female employees, reflecting a relatively balanced gender distribution across the non-IT sector organisations covered in the study.

Table 3: Sector of the Respondents

Sector	Frequency	Percentage
Manufacturing	32	21.3%
Banking/Finance	28	18.7%
Retail	22	14.7%
Healthcare	21	14.0%
Hospitality	17	11.3%
Education	13	8.7%

ISSN: 3071-642X
PP: 13-20.

Construction	9	6.0%
Others	8	5.3%
Total	150	100.0%

Interpretation: Manufacturing (21.3%) and Banking/Finance (18.7%) together account for the largest share of respondents, indicating that these two industries dominate the non-IT sector sample drawn from the Karaikal region.

Table 4: Salary of the Respondents

Salary Range (₹)	Frequency	Percentage
12,000–15,000	21	14.0%
16,000–20,000	44	29.3%
21,000–25,000	52	34.7%
26,000–30,000	19	12.7%
31,000–35,000	14	9.3%
Total	150	100.0%

Interpretation: The majority of employees (34.7%) earn between ₹21,000 and ₹25,000, reflecting typical mid-range compensation structures prevailing in non-IT sector organisations.

Table 5: Experience of the Respondents

Experience	Frequency	Percentage
Below 5 Years	96	64.0%
8 Years	38	25.3%
10 Years	10	6.7%
12 Years	4	2.7%
Above 13 Years	2	1.3%
Total	150	100.0%

Interpretation: 64.0% of respondents have less than 5 years of experience, indicating a predominantly junior workforce for which early-career retention strategies are particularly important.

8.2. Chi-Square Analysis

Hypothesis

- H0: There is no significant association between age and employee retention intention.
- H1: There is a significant association between age and employee retention intention.

Table 6: Chi-Square Test – Age and Retention Intention

Chi-Square Test	Value	df	Significance (p-value)
Pearson Chi-Square	18.462	16	0.298
Linear-by-Linear Association	5.127	1	0.024
Number of Valid Cases	150	–	–

Interpretation: The Pearson Chi-Square significance value of 0.298 is greater than 0.05; therefore the null hypothesis is accepted, indicating that retention intention does not differ significantly across age groups overall. However, the Linear-by-Linear Association is significant (p = 0.024), suggesting a

ISSN: 3071-642X
PP: 13-20.

weak but statistically significant linear trend in which retention intention shows a slight directional increase with age, likely reflecting greater career investment and financial commitments among older employees.

8.3. Correlation Analysis

Hypothesis

- H0: There is no significant correlation between gender and work experience.
- H1: There is a significant correlation between gender and work experience.

Table 7: Correlation – Gender and Work Experience

Variables	Pearson Correlation (r)	Sig. (2-tailed)	N
Gender × Experience	-0.054	0.511	150

Interpretation: The correlation coefficient (r = –0.054) is very weak and the significance value (0.511) is greater than 0.05. Therefore, the null hypothesis is accepted gender does not significantly influence or predict work experience among employees in the non-IT sector sample.

8.4. Regression Analysis

Hypothesis

- H0: Salary satisfaction and career growth are not significantly related to retention intention.
- H1: Salary satisfaction and career growth are significantly related to retention intention.

Table 8: Model Summary and Anova

R	R Square	Adjusted R Square	F Value	Sig.
0.463	0.214	0.198	13.244	0.000

Table 9: Regression Coefficients

Predictor	B	Beta	t	Sig.
(Constant)	0.712	–	1.771	0.079
Salary Satisfaction	0.381	0.412	5.687	0.000
Career Growth Opportunities	0.198	0.187	2.444	0.016
Work-Life Balance	-0.023	-0.021	-0.295	0.769

Interpretation: The regression model is statistically significant (F = 13.244, p = 0.000), explaining approximately 21.4% of the variance in retention intention. Salary satisfaction (B = 0.381, p = 0.000) and career growth opportunities (B = 0.198, p = 0.016) emerge as significant positive predictors of retention intention, whereas work-life balance (p = 0.769) does not show a statistically significant effect in this model. The alternative hypothesis is therefore accepted: salary satisfaction and career growth opportunities are meaningful predictors of employee retention intention in the non-IT sector.

9. FINDINGS

- Employee retention intention remains relatively consistent across age groups, with only a weak linear trend showing slightly higher retention intentions among older employees.

ISSN: 3071-642X
PP: 13-20.

- Gender does not significantly influence work experience, indicating comparable levels of career tenure between male and female employees.
- Salary satisfaction is the strongest and most statistically significant predictor of employee retention intention, confirming that competitive compensation is the primary driver of workforce stability.
- Career growth opportunities are also a significant predictor of retention intention, showing that clear advancement pathways considerably increase employees' likelihood of remaining with their organisation.
- Work-life balance, while widely regarded as important in the literature, did not emerge as a statistically significant predictor of retention intention in this regression model.

10. SUGGESTIONS

- Organisations should prioritise competitive and equitable compensation structures, including regular market-aligned pay revisions and performance-linked incentives.
- Clear and structured career development pathways, including skill development programmes, mentorship initiatives, and transparent promotion criteria, should be established at all levels.
- Although not statistically significant in this study, organisations should continue investing in flexible scheduling and employee wellness programmes given their established links to engagement in the wider literature.
- Retention policies should be designed as inclusive HR strategies that ensure fairness across all demographic groups, regardless of gender, age, or educational background.
- Leadership development programmes should be treated as a retention investment, training managers in coaching, communication, and employee engagement practices to reduce voluntary turnover.

11. CONCLUSION

The overall analysis indicates that employee retention in the non-IT sector is a multidimensional challenge requiring strategic, people-centred, and data-driven solutions. While demographic factors such as age and gender do not exert major direct influence on retention intentions, economic and developmental factors play a decisive role. Salary satisfaction emerged as the single strongest predictor of retention intention, underscoring the fundamental importance of competitive and fair compensation in reducing voluntary turnover. Career growth opportunities also emerged as a significant driver, highlighting the need for non-IT organisations to invest in structured career development pathways and transparent promotion systems.

Taken together, these findings suggest that non-IT organisations must move beyond minimalist compliance with statutory obligations and proactively invest in holistic retention ecosystems encompassing competitive compensation, meaningful career development, supportive leadership, and a culture of recognition and inclusion. Employee retention is therefore not merely an HR function but a strategic organisational imperative, and by genuinely investing in their people,

ISSN: 3071-642X
PP: 13-20.

non-IT organisations can build loyal, engaged, and high-performing workforces that drive sustainable competitive advantage.

REFERENCES

[1] Sharma, P. (2026). A Study on Employee Retention Strategies in Non-IT Manufacturing Organisations. International Journal of Human Resource Management.

[2] Ramachandran, S. (2026). Work-Life Balance and Job Security as Retention Drivers in Non-IT Sectors. International Journal of Management Research.

[3] Kavitha, R., & Selvakumar, M. (2025). Recognition Programs and Employee Retention in Manufacturing Industries. International Journal of Scientific Research and Engineering Development.

[4] Venkataraman, T. (2025). Leadership Quality as a Predictor of Employee Retention in Non-IT Sectors. International Journal of Scientific Research in Engineering and Management.

[5] Latha Devi, N. (2025). Wellness Programs and Retention in Banking and Financial Services. International Journal of Research in Management.

[6] Mohan, K., & Krishnamurthy, R. (2022). Career Growth and Retention in the Hospitality Sector. Journal of Hospitality and Tourism Management.

[7] Sunitha, G., & Rajan, M. (2021). Organisational Culture and Employee Retention in the Retail Sector. Asian Journal of Management.

[8] Meenakshi Sundaram, R. (2021). Compensation Management and Retention in Manufacturing SMEs. International Journal of Commerce and Management Research.

[9] Nair, P., & Pillai, R. (2020). Job Security and Safety as Retention Motivators in the Construction Sector. Journal of Construction Engineering and Management.

[10] Padmaja, A., & Vasanthi, R. (2020). Work-Life Balance and Retention in the Healthcare Sector. Indian Journal of Public Health Research and Development.

[11] Aravindhan, A. (2019). Training and Development as a Retention Strategy in Manufacturing. International Journal of Applied Research.

[12] Srinivasan, K., & Geetha, S. (2019). Retention Strategies in Public Sector Banking. Journal of Commerce and Accounting Research.