The Impact of Motivation Factors and Hygiene Factors on Employee Retention Intention: A Study of Operational Level Employees in ABC Company (Pvt) Limited

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Employee retention has become a serious and perplexing problem in the Sri Lankan apparel industry. Since employees are the key contributors who bring an organization to the upper level, high employee turnover ratio, or flyaway of talented employees is a great loss to apparel organization. The purpose of the study is to identify the impact of motivation factors and hygiene factors on employee retention in ABC Company (Pvt) Ltd. Further objectives to be achieved are, to find the relationship between motivation factors on employee retention and to find the relationship between hygiene factors on employee retention.

The questionnaire was distributed among the sample of 93 individuals, and the sample was selected using the convenience sampling technique. The collected data was analyzed using Statistical Package for Social Sciences (SPSS). According to multiple regression analyses, there is a significant impact of motivation factors on employee retention and hygiene factors are not shown a significant impact on employee retention. Based on the findings, the researcher suggests to motivate employees by providing facilities and conditions to ensure the feeling of achievement, advancement, work itself, recognition and growth which represent motivation factors and the Company needs to focus on motivation factors than hygiene factors to retain their employees.

Keywords: Employee Retention, Motivation Factors, Hygiene Factors, Two Factor Theory

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