Role of Motivation in Employee Retention: A Study on Readymade Garments Manufacturing Company in Bangladesh

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Abstract
The objective of this research is to assess the influence of motivation on employee retention within the Readymade garments sector of Bangladesh. During the study, a customized questionnaire was formulated to conduct a survey. A total of 72 participants from various garments companies were surveyed. The research utilized statistical techniques including reliability analysis, validity analysis, correlation and regression analysis to scrutinize the collected survey data. The analysis was performed using statistical software SPSS version 20. The results of the study indicate that factors contributing to motivation, such as compensation, work-life-balance, job environment, supervisor-subordinate relationships, attractive salary and wages, supervision, working hours and both extrinsic and intrinsic benefits exert a substantial impact on the ability to retain employees within Bangladesh’s Readymade Garments Industry.

Index terms—work-life-balance, superior-subordinate relationships, attractive salary and wages, extrinsic and intrinsic motivational benefits.

1 I. Introduction
Garments sector is one of the most vital export sectors of our country. Now-a-days readymade garments sector not only earn maximum foreign currency but also engage a lot of unemployed people in productive industry. Statistics shows that there are more than 20 lacks people engaged in this sector. More than 10 lacks people are engaged in different accessories industry to earn their livelihood. As a consequence, our unemployment reduces, beside our socio-economic position also developed. It is also true that, for bright future of Bangladesh the contribution of this sector cannot be neglected. A Following China, Bangladesh currently holds the position of the world’s second-largest garment exporter. In the previous year, its exports experienced a remarkable surge of 30.4%, reaching $35.8 billion. This increase marks the most substantial year-on-year growth in nearly 25 years. Additionally, Bangladesh maintains a robust presence in the European Union market, particularly in the export of ready-made garments (RMG). This is the high time for capture foreign market otherwise we cannot increase our market share for readymade garments. The following paper is prepared on "Ready-made garments industry of Bangladesh" the main objective of the study is to evaluate various HR strategies as well as overall performance and employee retention of the garments industry in Bangladesh.

2 II. Literature Review
The primary approach to motivating employees is to ensure adherence to social compliance standards, encompassing aspects such as maintaining legal working hours, providing lawful leaves, guaranteeing health and safety provisions, implementing effective grievance handling procedures, offering adequate welfare facilities, fostering a non-discriminatory work environment, and creating an environment free from abuse and harassment. As a result, the objective of this study is to propose a conceptual framework for investigating the impact of social compliance on employee productivity, with employee work motivation acting as a mediating factor.


4 B) RELATIONSHIP BETWEEN EMPLOYEE WORK MOTIVATION AND EMPLOYEE RETENTION

Manager strives to enhance the productivity of their workforce, an integral component of their overarching strategy. Given the connection between employee motivation and productivity enhancement, the significance of motivation becomes apparent. However, it’s often noted that in many companies, employees exhibit lower motivation levels and diminished job satisfaction, with employers often showing limited concern for their workforce’s motivation (Islam et al., 2012). While extensive research has explored factors influencing job satisfaction, there’s no universally defined standard that outlines which aspects of a job should be regarded as measures of job satisfaction. For practitioners, identifying the effective determinants of job satisfaction and their outcomes holds critical importance. Rose (2005) characterizes job satisfaction as a two-dimensional concept. The intrinsic dimension relies on individual characteristics including the job itself, initiative, and supervisor relationships. The extrinsic dimension hinges on motivation, encouragement, salary, earnings, and promotion. The former represents symbolic aspects of work, while the latter pertains to situational aspects. Both sets of factors should be considered as measurements of job satisfaction. Numerous remedies are proposed to enhance worker productivity, including improving social compliance, providing training to workers, and incorporating advanced technology (Razzaque and Eusuf, 2007). In their study on trade, development, and poverty linkage, Razzaque and Eusuf found that improved working conditions, enhanced welfare facilities, and fair wage payments positively impact workforce productivity. Building on this, Rahman and Hossain (2010) recommend exploring the connection between social compliance issues and employee productivity. Hence, the proposed study aims to bridge this knowledge gap by establishing the relationship between social compliance and employee productivity, mediated by employee work motivation.

3 a) Meaning and Process of Motivation

Motivation is consistently regarded as one of the most influential predictors of individual behavior and a fundamental driver of performance across various behavioral aspects (Steers RM, Shapiro DL, 2004). As a result, it’s unsurprising that motivation is a recurrent topic in research literature (Levin MA, Hansen JM, 2008). Scholars and executives alike have displayed significant interest in understanding individual motivation to engage with social media and tools on behalf of companies (LeFtheriotis I, Giannakos MN, 2014). Motivational factors, such as achievement, recognition, accountability, effort, advancement, and personal growth, are closely linked to job satisfaction, while hygiene factors, including corporate strategy and management, interpersonal relationships, working environment, compensation, job security, position, and benefits, are associated with the overall work context (Griffin RW, 2012). Herzberg classified hygiene factors as extrinsic elements, which, when not adequately met, have a disheartening effect on employees’ job attitudes, eventually leading to dissatisfaction. In contrast, motivational factors are considered intrinsic elements that lead to fulfillment when met, yet their absence does not necessarily lead to dissatisfaction (Simons T, Enz CA, 1995). Furthermore, this study postulates that motivation emerges when individuals recognize a positive link between efforts leading to work performance and work performance resulting in rewards (Griffin RW, 2012). The objective-setting theory of motivation, stemming from the expectancy theory, posits that setting objectives functions as an “immediate regulator of human action” (Locke EA, Latham GP, 1991), directing individuals towards achieving the set goals. Objectives influence performance by channeling focus, organizing efforts, enhancing determination, and fostering motivation. Previous research (Bhatti K, 2015) sheds light on individual attitudes, perspectives, intentions, and life goals. This research helps businesses comprehend their employees’ aspirations in both their professional and personal lives, while emphasizing the necessity of fostering them. In parallel, it appears to enhance employee engagement, reliability, and commitment to their organizations. Understanding the factors that influence employee motivation is an immense challenge for businesses, leaders, and executives (Sulaiman M, Ahmad K, 2014), especially considering that people hold diverse life objectives. Individuals possess varying needs, values, ambitions, goals, and perspectives (Ahmad K, Fontaine R, 2011), making it imperative to recognize these differences in order to effectively motivate and engage employees.

4 b) Relationship between Employee Work Motivation and Employee Retention

Drawing from the human relations theory, it becomes apparent that motivation serves as a driving force behind employees’ performance (Filley et al., 1976). The interplay between work motivation and worker productivity has been a subject of research for an extended period. Nonetheless, earlier studies fell short of definitively establishing a direct correlation between these two factors (Vroom, 1964). It appears that there is a mutual influence between them. Petty et al. (1984) conducted an assessment of the 15 studies utilized by Vroom (1964) in his research and incorporated an additional 20 contemporary studies. They concluded that there is an unquestionable relationship between worker motivation and productivity. The findings of their study suggest that the correlation between an individual’s overall job motivation and their job performance is more consistent than what was previously indicated in studies such as Vroom’s (1964). Furthermore, Hackman and Oldham (1976) propose that the introduction of employee motivation establishes a circular relationship that encompasses motivation, job satisfaction, and productivity. The concept of satisfaction is also addressed by Herzberg (1959), who contends that the presence of motivators within a job leads to satisfaction.
5 c) Motivational Factors Influence Employee Retention

Employee retention is generally defined as “the intention of employees to stay loyal to their current workplace” (Huang et al., 2006). It signifies the commitment of employees to remain with the organization for an extended period or until the completion of ongoing projects (Bidisha, 2013). Consequently, as highlighted by requirements, the viability of organizations heavily relies on their human resources, creating an imperative for organizations to retain these valuable assets (Horwitz et al., 2003). Therefore, this literature review primarily centers on the identification and examination of factors that impact employee retention.

6 d) Compensation

Compensation encompasses both financial and non-financial rewards extended by employers to employees in exchange for their valuable services (Osibanjo et al., 2014). It encompasses wages, salaries, bonuses, incentives, and additional benefits such as holidays, health insurance, and company vehicles (Patnaik and Padhi, 2012). Compensation serves a dual role: on one hand, it’s recognized as a motivator and a crucial retention strategy (Gardner et al., 2004), showing a direct correlation with employee retention (Hyttter, 2007). Conversely, Tessema and Soeters (2006) noted that employees placing higher value on financial rewards within their compensation package were more prone to voluntary turnover, implying that compensation significantly influences retention.

For instance, professional nurses who emigrated from South Africa cited compensation as a leading cause for their departure (Spence et al., 2009). However, a contradictory perspective exists. Hayes et al. (77006) and Kossivi et al. (2016) argue that compensation does not hold a direct relationship with retention. A case in point is Google Inc., renowned for its generous compensation offerings, yet maintaining a median tenure of merely around one year due to the hyper-competitive nature of the tech job market, which consistently presents new job opportunities (Business Insider, 2015).

7 e) Work-Life-Balance

As outlined by Hudson (2005), work-life balance entails well-structured practices that include flexibletime, teleworking, job-sharing schemes, family leave programs, and onsite childcare/elderly care. Corporate leaders increasingly emphasize non-financial rewards in their pursuit of work-life balance. This perspective is reinforced by observations among industrial blue-collar workers, which highlighted those wages or salaries alone fail to completely satisfy workers (2001). This illustrates that while compensation remains a pivotal driver for retention, it alone may not ensure long-term employee loyalty. Today’s employees, both in managerial and blue-collar roles, place significant importance on various aspects of their job, such as work-life balance and employer-employee relations, as opposed to solely concentrating on pay rates (PWC, 2011). This sentiment is succinctly captured by the saying often attributed to millennials, “money is not everything.” Over time, work-life balance has gained prominence as a crucial consideration for professionals within organizations. In contemporary business environments, employees increasingly seek flexible work schedules that harmonize their personal and professional lives (Ellenbecker, 2004). PWC’s survey (2011) revealed that 95% of respondents consider worklife balance important, with 70% considering it highly important. Even in Japan, where millennials appear less concerned about work-life balance, 85% still acknowledged its significance. Kossivi et al. (2016) and Arnolds (2005) emphasize that jobs offering work-life balance provide employees with opportunities to fulfill family and other responsibilities, encompassing childcare, educational pursuits, religious commitments, and the need for stress reduction through flexible work arrangements (ACAS, 2015). This emphasis on work-life balance is conducive to enhanced employee retention. Conversely, workplaces neglecting work-life balance tend to grapple with high turnover rates, indicative of low retention levels. For example, in Taiwan, family responsibilities, especially childcare and traditional family obligations, have consistently influenced the retention rates of working women, leading to higher turnover among this demographic compared to men (Sinha and Sinha, 2012). Hence, the existence of worklife balance measures could empower working mothers to strategically plan their work schedules around home and childcare commitments, effectively allocating dedicated time to both their professional and personal lives (George, 2015).

8 f) Working-Environment

A favorable working environment encompasses a pleasant work experience, ample resources, and a degree of flexibility, and it is widely acknowledged to play a significant role in retaining employees (Alexander et al., 1998). Research conducted by Miller et al. (2001) underscores the value of an environment that fosters a sense of belonging among employees, encouraging long-term commitment and loyalty to the workplace (Irshad, 2014). Lok et al. (2005) found that job autonomy, positive feedback, and an innovative and supportive organizational culture contribute positively to employee retention. Moreover, Andrews and Wan (2009) contend that distinct organizations should tailor their working environments to match employee needs. For instance, manufacturing firms may thrive in an empowering environment that allows employees to showcase their full capabilities, while service organizations engaging directly with clients might require a psychological dimension to interact effectively and comprehend clients’ needs (Umamaheswari and Krishnan, 2016; Halley et al., 2011). Conversely, Raziq (2015) highlights the adverse consequences of neglecting the working environment. A lack of attention to this aspect can lead to diminished employee satisfaction and performance, resulting in decreased retention rates. This
underscores the importance of accurately assessing and addressing the genuine needs of workers to provide them with a satisfying working environment that bolsters retention levels. Even exemplary workplaces like Google, Inc., renowned for its excellent and flexible working environment with a focus on work-life balance, faced challenges in retaining employees. Despite offering an appealing culture and environment, talented individuals were drawn by enticing

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Volume XXIII Issue VII Version I Year 2023 ( ) A offers from competing employers, leading them to transition voluntarily to other companies (Business Insider, 2016). This demonstrates that, while a conducive environment is vital, external factors and competitive offers can also influence retention decisions.

10 g) Superior-Subordinate Relationship

Jasper (2007) emphasized that the superiorsubordinate relationship stands as another pivotal factor impacting employee retention. This relationship delineates the connection between supervisors and employees. According to ??itts et al. (1990), the perception employees hold about the organization is significantly shaped by their rapport with their supervisors. A robust relationship with open communication between employees and their supervisors fosters engagement and paves the way for employee commitment, thereby elevating retention levels ??Landsman, 2008). A fragile superiorsubordinate relationship can lead to demotivation among employees, prompting them to seek alternative job opportunities elsewhere (Kooker et al., 2007). When employees feel valued, recognized, and embraced within the organization, they become actively invested in achieving business goals and objectives, resulting in heightened productivity and increased retention rates (Mathis and Jackson, 2010). This dynamic also establishes a foundation of trust between employees and their supervisors. Nevertheless, in certain countries, a high-power distance culture prevails, often associated with autocratic leadership and centralized control (Sheridan, 1992). Organizations in such societies tend to adopt an autocratic or top-down management approach, potentially leading to a dearth of the superiorsubordinate relationship. For instance, as noted by Newman et al. (2012), a high-power distance culture in China contributed to a lack of significant relationship between superiors and subordinates, which consequently impacted employee retention negatively. In contrast, Ghapanchi and Aurum (2011) further underscored the significance of the superiorsubordinate relationship. Consequently, organizations that fail to appreciate employee commitments, neglect engagement, focus solely on faults, blame the wrong individuals, set unrealistic goals and deadlines, and disregard the importance of a strong bond between supervisors and subordinates will likely struggle in maintaining effective relationships, leading to lower retention levels (Mehta et al., 2014).

11 h) Salary or Wages

Compensation stands as a pivotal and vital determinant significantly impacting job satisfaction, particularly in terms of the salary’s adequacy and equity. An employee’s commitment to dedicating time and effort to their role often hinges on the compensation package they receive. As pointed out by Oshagbemi (2000), salary stands out as a primary contributor to an organization’s operational costs. The correlation between salary size and job satisfaction remains a subject of debate, with some asserting an absence of a clear link. ??erzberg’s (1964) analysis includes salary as one of the hygiene factors influencing job satisfaction. Conversely, contrasting views from theorists like ??ocke and Porter (1976) suggest that when an employee’s salary surpasses their expectations, their satisfaction level tends to rise, while the inverse is also true.

12 i) Working Hours

When there’s an unstable equilibrium between individual expectations and demands, employees may encounter conflicts. Discomfort with one’s work contributes to the accumulation of such conflicts. The conflict within roles can be linked to various factors, including frequent overtime and unsuitable working hours. The connection between working hours and employee satisfaction stems from the substantial time employees invest in their jobs. As discovered by Pors (2003), working hours impact an individual’s quality of life, relationships with family and friends, and subsequently, their overall job satisfaction.

13 j) Supervision

Effective management is pivotal in shaping employee satisfaction. Granting employees the autonomy to voice their ideas fosters loyalty among them. Employee perspectives highlight the significance of fairness within the workplace. An integral determinant influencing employee satisfaction and behavior is the rapport shared between coworkers, supervisors, and colleagues. Especially when it comes to relationships, equity should be a central consideration, as emphasized by ??hen (2001).
14 Relationship between employee work motivation and employee productivity k) Benefits

Employee performance can be influenced by benefits in numerous ways. Benefits often receive less frequent assessment, making them a cost-effective strategy for employers in the market (Baughman R, Dinardi D, Holtz-Eakin D, 2005). This cost-effectiveness implies that more affordable benefits could potentially boost employee performance. Moreover, benefits can serve as an alternative to salary. Research has examined how employers adjust compensation by reducing salaries while providing various benefits to individuals over time (Baughman R, Dinardi D, Holtz-Eakin D, 2005). Employees often perceive benefits and salary as interchangeable, with individuals willing to trade salary for additional benefits. While benefits are often studied as a significant component of employee compensation (Kalleberg AL, 1977), they are frequently addressed separately from the core analysis. Literature has also emphasized the role of rewards in shaping an individual’s job satisfaction and their approach to their work (Kressler H, 2004). In businesses, rewards play a significant role in creating and nurturing the bond between workers, ensuring satisfactory job performance and fostering employee loyalty. In the corporate context, employees engage with a company with specific skill sets in exchange for desired goals, anticipating favorable working conditions where their abilities are utilized to achieve objectives (Mottaz CJ, 1988). These rewards elevate individual effectiveness and efficiency in their roles, contributing to improved organizational performance as a result (Mottaz CJ, 1988).

15 l) Stress

Stress manifests as both psychological and physical burnout, leading to objective or subjective challenges for employees. Numerous factors, including issues like liquidity shortages and overcrowded branches, can contribute to employee stress levels. Research conducted by Hamid a substantial correlation between stress and satisfaction. was that higher levels of employee stress were associated with a decrease in overall job satisfaction.

16 m) Job Environment

The work environment can vary significantly, ranging from environments that are entirely comfortable and fulfilling to those that are challenging and potentially hazardous to employees’ well-being. Moreover, the intricate operational context can be influenced by the factors outlined by Khan et al. (618 A. Khan et al.).

17 III. Objective of the Study

The objectives of the research are -? To investigate whether motivation has a positive impact on employee retention within the readymade garments industry in Bangladesh. ? To understand the salary compensation and the employee benefits. ? To evaluate the factors that influence the employee’s performance.

18 IV. Research Hypothesis

The hypotheses formulated based on the aforementioned research question suggest the possible answers to the research inquiry as follows:

H0: The role of motivation does not have an effect on employee retention within the readymade garments industry in Bangladesh. H1: The role of motivation has a positive effect on employee retention within the readymade garments industry in Bangladesh.

19 V. Methodology of the Study

This study employs a combination of primary and secondary data collection and analysis techniques. To ensure its effectiveness, primary data has been gathered from a sample size of 72 respondents, including high officials, executives, and other employees within the garment industry in Bangladesh. This sampling was conducted through a ‘random sampling’ method, utilizing surveys distributed across various garment organizations. The primary data collection utilized a structured questionnaire designed for employees. This questionnaire comprised a mix of closed (dichotomous -yes/no), open-ended, nonforced, balanced, and odd-numbered non-comparative itemized questions. A Likert 5-point rating scale was employed for measurement. Conversely, the study also drew upon secondary data obtained through an extensive literature review. This review encompassed recent articles, research papers from referenced journals, peer-reviewed international conference proceedings, and relevant reports pertaining to the impact of employee training. This study embarked on exploratory research to acquire insights and comprehension of the comprehensive operations within a Garments Company. Its primary focus was to familiarize with the diverse HR strategies prevalent in the garments industry. Exploratory research involves delving into a problem or situation to generate ideas and insights for the research. In this context, I opted for this research approach to gather ideas and insights directly from the managers, executives, and high officials of Shun Ho Bangladesh Ltd. The data presented in the above table indicates that motivational factors influencing employee retention have yielded higher average or mean values (ranging from 3.7083 to 4.2917). Among the statements (v1 to v11), eleven of them showcase mean scores of 3 or higher, signaling positive perceptions among the respondents. In light of these findings, the results of the mean analysis reject the null hypothesis (H0)
suggesting "There is no effect of the role of motivation in employee retention within the readymade garments industry in Bangladesh." Instead, the alternative hypothesis (Ha) asserting "There is a positive effect of the role of motivation in employee retention within the readymade garments industry in Bangladesh" is accepted or proven. Thus, the anticipated relationship exists as demonstrated. Therefore, the study exhibits that there seems to be a moderate correlation between employee performance and identified factors of role of motivation in garments sector’s employees.

20 VI. Data Analysis and

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22 VIII. Conclusion and Recommendations

To conclude, it is evident that consistent motivation can yield the subsequent favorable outcomes on employee performance and retention within the readymade garments sector in Bangladesh. Consequently, upon motivating employees, the organization will witness: Enhanced job satisfaction strengthened commitment, diminished intention to leave the job (leading to prolonged engagement). The outcomes of this study suggest that employee retention is strongly influenced by a set of ten motivational factors. These factors include compensation, work-life balance, the working environment, relationships between superiors and subordinates, salary or wages, working hours, supervision, stress levels, benefits, and the overall job environment. Through statistical correlation analysis, it has been established that there is a positive and significant correlation between employee performance and the identified motivational factors. This significance holds at a confidence level of 0.01 (two-tailed). Furthermore, the motivational factors that impact employee retention have demonstrated higher average values, ranging from 3.7083 to 4.2917. The study has also assessed the reliability of the research using Cronbach’s Alpha, resulting in a value of 0.868, which indicates good reliability. The study concludes that both extrinsic and intrinsic motivational factors play a notable role in influencing employee retention.

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b) Validity Analysis

Figure 1: Table 1:

<table>
<thead>
<tr>
<th>Factors Influencing Employees’ Performance</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>v1: Compensation</td>
<td>4.1389</td>
</tr>
<tr>
<td>v2: Working-environment</td>
<td>4.2917</td>
</tr>
<tr>
<td>v3: Work-life-balance</td>
<td>3.8611</td>
</tr>
<tr>
<td>v4: Superior -subordinate</td>
<td>4.1667</td>
</tr>
<tr>
<td>v5: Relationship</td>
<td>4.0278</td>
</tr>
<tr>
<td>v 6: Salary or wages</td>
<td>3.9583</td>
</tr>
<tr>
<td>v 7: Working Hours</td>
<td>3.9861</td>
</tr>
<tr>
<td>v 8: Supervision</td>
<td>3.7083</td>
</tr>
<tr>
<td>v 9: Job Environment</td>
<td>4.0556</td>
</tr>
<tr>
<td>v10: Stress</td>
<td>4.1667</td>
</tr>
<tr>
<td>v11: Motivational factors influencing Employee performance</td>
<td>3.9028</td>
</tr>
</tbody>
</table>

Figure 2: Table 2:
3

Figure 3: Table 3:

|
|---------------------------------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | .819 |
| Approx. Chi-Square               | 320.511 |
| Bartlett’s Test of Sphericity    | Df  | 55 |
|                                 | Sig. | .000 |

Figure 4: Table 4:

between


[Bhatti (2015)] Impact of Islamic piety on workplace deviance, K Bhatti . 2015. Malaysia. Inter-national Islamic University Kuala Lumpur (PhD thesis)


[10]


[Sulaiman and Ahmad ()] The perspective of Muslim employees towards motivation and career success, M Sulaiman, K Ahmad. 2014.


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