

EFFECT OF JOB SATISFACTION ON EMPLOYEE RETENTION-A STUDY OF PHARMA INDUSTRY

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ABSTRACT

Employee retention is a critical issue in the pharmaceutical industry, because hiring and maintaining personnel significantly affects organizational success. The relationship between job satisfaction and employee retention in the pharmaceutical sector is examined in this study. The impact of key factors on employees' decisions to stay or leave is investigated, including compensation, job security, business culture, opportunities for professional advancement, and work-life balance. The study used a mixed-method approach that incorporates questionnaires and interviews to measure the satisfaction levels and retention intent of pharmaceutical professionals. According to research, higher job satisfaction leads to higher retention rates, underscoring the need for proactive HR initiatives to improve employee engagement and reduce turnover. The report provides pharmaceutical companies with helpful data for developing effective retention strategies and keeping a competitive workforce.

Keywords: Job Roles, Training Facilities, Work Environment, Workload Management, Employee Satisfaction, And Work Experience.

I. INTRODUCTION

Summary Employee retention must be a top priority for organizations across all industries because high turnover rates can lead to increased costs, knowledge loss, and decreased output. In this case, understanding the factors influencing employee retention is essential to creating a stable and effective workforce. Employee happiness is among the most crucial of these elements. Because happy employees are more likely to be engaged, committed, and loyal to their employers, employee satisfaction reduces turnover rates. Employee happiness is influenced by a variety of factors, including job security, work-life balance, compensation, opportunities for professional growth, and the overall work environment. When workers feel valued, supported, and acknowledged, they are more likely to remain with their organization for a longer period of time. On the other hand, discontent might result in absenteeism, disengagement, and finally. Retention rates are greatly impacted by a strong sense of belonging, and RP Industries has fostered a culture of community that promotes cooperation and teamwork among staff members. Social gatherings, cross-departmental projects, and team-building exercises foster camaraderie and interpersonal connections, reaffirming that workers are more than simply coworkers but are important components of a cohesive team.

Additionally, RP Industries places a high priority on staff input and participation in decision-making. Employees feel more accountable and have a stronger sense of ownership when they are involved in programs like community service, sustainability, and quality improvement. People feel that their contributions are significant and have an influence, which not only boosts morale but also cultivates a strong sense of devotion to the organization.

OBJECTIVES OF THE STUDY

1. To determine the elements that contribute to pharmaceutical sector workers' satisfaction
2. To identify the elements that contribute to employee retention in the pharmaceutical sector
3. To examine the relationship between middle-level management retention and employee satisfaction.

II. LITERATURE REVIEW

The foundation for comprehending job satisfaction and its effect on retention was established by Herzberg's Two-Factor Theory (1959). According to the hypothesis, "hygiene factors" like as pay, business regulations, supervision, working conditions, and job security might cause discontent if they are lacking or insufficient, but they do not inspire workers if they are present. However, "motivators" like success, acknowledgment, chances

for advancement, accountability, and the task itself can inspire workers and result in job satisfaction. Organizations should concentrate on removing or lowering hygiene aspects that cause discontent and improving motivators to promote employee development and satisfaction in order to increase retention. Organizations can establish an atmosphere that promotes employee growth, retention, and satisfaction by comprehending and addressing these elements.

The importance of perceived justice in the workplace is emphasized by Adams' Equity Theory (1963), which also highlights its effect on employee retention and satisfaction. According to the theory, workers continuously assess their output (rewards, recognition, and perks) and input (effort, talents, and dedication) in comparison to their peers. Employees feel distressed and demotivated when they see an imbalance, where their input surpasses their output. Employee motivation and satisfaction, on the other hand, increase when input and output are seen as fair and equal.

The importance of socio-technical aspects in influencing employee longevity within an organization was highlighted by Buchanan's (1974) investigation on the relationship between work satisfaction and staff retention. According to Buchanan's research, job satisfaction is a key indicator of employee retention, meaning that contented workers are more likely to stick with the company. The interaction of social (such relationships, communication, and the work environment) and technical (like job features, duties, and responsibilities) variables is referred to as the socio-technical aspects of retention.

A thorough framework for comprehending the elements that influence job satisfaction, intention to leave, and actual turnover is offered by Mobley's Model of Turnover (1977). The model emphasizes the impact of human views and decision-making in turnover, as well as the cognitive process that affects retention. Job satisfaction is the first step in the turnover process, according to Mobley, and it is impacted by a number of variables, including job features, compensation, possibilities for advancement, and work environment.

A fundamental framework for comprehending employee retention is provided by Teers and Porter's (1979) model, which shows a direct correlation between job satisfaction and intention to stay. According to the concept, job satisfaction is a crucial precondition for retention, meaning that contented workers are more likely to stick with the company. On the other hand, unhappy workers are more prone to think about quitting. The model emphasizes how crucial it is to comprehend the elements that affect job satisfaction, including work environment, incentives, and job qualities.

The term organizational commitment, which describes a worker's emotional bond with their company, was first used by Mowday, Porter, and Steers (1982). They discovered a substantial relationship between intention to stay, job happiness, and organizational commitment. In essence, workers who are dedicated to their company are more likely to be content with their positions and stick around for the long haul.

According to Allen and Meyer's (1990) paradigm, encouraging affective commitment in workers is essential for lowering attrition and increasing retention. Organizations may boost employee engagement and happiness and eventually reduce turnover rates by fostering a favorable work environment that fosters emotional attachment.

A meta-analysis by Tett and Meyer (1993) found a strong correlation between employee commitment, retention, and work satisfaction. Their results demonstrated that employee commitment, which has a significant effect on retention, is strongly predicted by job satisfaction. In particular, the study showed that contented workers are more likely to have a close bond with their company, which raises retention rates.

A thorough examination of the turnover process is offered by Price's Model of Turnover (2001), which clarifies the many variables that affect employee turnover. The model states that both actual turnover rates and turnover intentions are significantly influenced by work satisfaction. According to the model, workers with high job happiness are less likely to think about quitting their company, whereas workers with low job satisfaction are more likely to want to leave.

A thorough analysis by Schneider et al. (2003) found a high correlation between organizational effectiveness and employee satisfaction. According to their research, contented workers are more likely to be involved, effective, and dedicated to their company, which raises retention rates and improves performance indicators all around.

Work engagement and job satisfaction were found to be strongly positively correlated by Schaufeli and Bakker (2004). Vigor, dedication, and immersion in one's work are characteristics of work engagement. Fully engaged workers are more likely to be driven, devoted, and invested in their work, which boosts retention and job satisfaction.

Effective leadership styles can result in higher employee retention rates, according to Kim and Wright's (2007) significant correlation between transformative leadership and employee happiness. Employees are inspired and motivated by transformational leaders, who create a productive workplace that increases dedication and job satisfaction.

According to a 2016 Gallup poll, engaged workers are 87% less likely to quit their company than disengaged ones. This figure demonstrates how employee engagement has a major effect on retention rates. Engaged workers are less likely to leave because they are more dedicated to their company, feel appreciated, and are more invested in their work. This research highlights how crucial it is to put employee happiness and engagement first in order to lower attrition and keep top talent.

Job happiness influences retention and is influenced by organizational practices, according to Judge and Klinger's (2017) investigation of the reciprocal relationship between job satisfaction and turnover intentions. According to their research, leadership, resources, and supportive work environments all affect employee satisfaction, and good job satisfaction reduces the likelihood of leaving the company.

High employee satisfaction and a healthy company culture are critical for increasing retention and decreasing turnover, as shown by Albrecht and Bakker (2018). Their study made clear how crucial it is to establish a welcoming workplace that complements workers' needs and values in order to promote engagement, dedication, and loyalty.

Organizations that encourage involvement see higher retention rates because of higher work happiness, according to Saks' (2019) investigation on the mediating role of engagement in the relationship between job satisfaction and retention. According to the study, engagement is essential for enhancing the beneficial effects of job satisfaction on retention, underscoring the need of creating an engaging workplace that encourages and motivates staff members to dedicate themselves to their company.

A supportive work environment dramatically lowers turnover intentions, according to Gonzalez et al.'s (2020) investigation of the relationship between managerial techniques, workplace culture, and employee happiness. The study emphasizes how crucial it is to create a healthy work environment and use management techniques that increase employee engagement, retention, and satisfaction.

Offering flexible work alternatives can be an effective technique to boost retention, as Baker et al. (2021) found that remote working arrangements have a considerable impact on employee satisfaction levels. Organizations can improve employee satisfaction and retention rates by accommodating employees' choices for remote work.

A thorough systematic review and meta-analysis by Yalabik et al. (2021) supported the known relationship between employee retention and satisfaction. The study demonstrated that contented workers are more likely to stick with their company by confirming a strong positive association between the two. The study also highlighted the vital role that management support plays in promoting employee retention and satisfaction, highlighting the significance of people management and good leadership in achieving corporate objectives.

In their investigation, O'Neill et al. (2022) found a favorable association between job satisfaction and employee well-being initiatives. According to the study, companies that put a high priority on employee health and wellness typically have lower turnover rates. This suggests that funding programs for employee well-being can boost job satisfaction and cut turnover.

BACKGROUND OF THE STUDY

Employee retention is a significant issue in the pharmaceutical industry, particularly for companies such as RP Industries. High turnover rates could lead to major interruptions in operations and increased costs. Learning about the factors that influence job satisfaction could help you create more effective staff retention strategies.

The pharmaceutical industry is one significant sector that has a significant impact on both healthcare and economic stability. However, it struggles to retain staff, particularly due to high turnover rates. Companies trying to increase workforce stability and efficiency must understand the factors that affect job satisfaction and,

consequently, staff retention.

The relationship between employee retention and job satisfaction is especially significant for RP Industries, a company in the pharmaceutical sector. By focusing on improving worker happiness through competitive pay, pleasant working conditions, and encouraging leadership, RP Industries may be able to raise staff retention rates. Additional company-specific empirical study could provide additional insights into how to maintain a motivated and satisfied staff.

PROBLEM STATEMENT

Employee retention is a major concern for the pharmaceutical sector, especially for RP Industries. Excessive turnover rates can impair organizational effectiveness, cause operations to be disrupted, and raise the expense of hiring and training new employees. Even though it's vital to keep talented workers, many pharmaceutical companies find it difficult to keep their personnel happy. The objective of this research is to examine the correlation between job satisfaction and employee retention, with a particular emphasis on the role played by organizational commitment and supervisory support in this dynamic.

III. RESEARCH METHODOLOGY

STUDY DESIGN: The research is DESCRIPTIVE and EXPLORATORY.

DATA COLLECTION: Create a Questionnaires for research on the effect of job satisfaction on employee retention in the pharmaceutical industry.

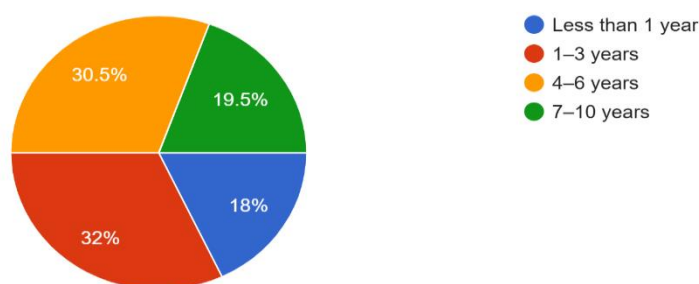
SAMPLING TECHNIQUES: In this project, random sampling, and stratified sampling will be used.

POPULATION: The population frame consists of the employees, managers, and HR personnel to gather different perspectives on job satisfaction.

SAMPLING UNIT: Focus on those working in various roles within pharmaceutical companies.

DATA ANALYSIS

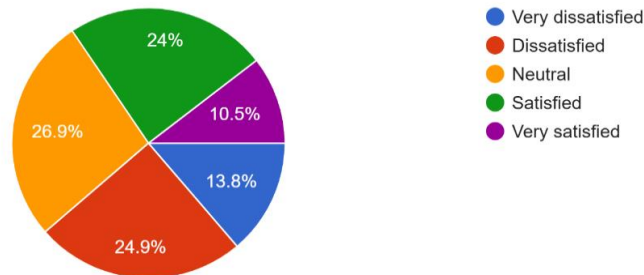
Years of Experience in the Pharma Industry:
334 responses



The distribution of experience levels among 334 respondents in the pharmaceutical business is displayed in this pie chart. The majority of responders (32%) had 7–10 years of experience, with those with 4–6 years (30.5%) coming in second. This points to a staff with a strong foundation of seasoned experts. A considerable influx of newer professionals is shown by the smaller percentages of respondents with 1–3 years (19.5%) or less than 1 year (18%) of experience. This range of experience levels suggests that the industry is comparatively established and has room to grow.

1.How satisfied are you with the working conditions in your organization

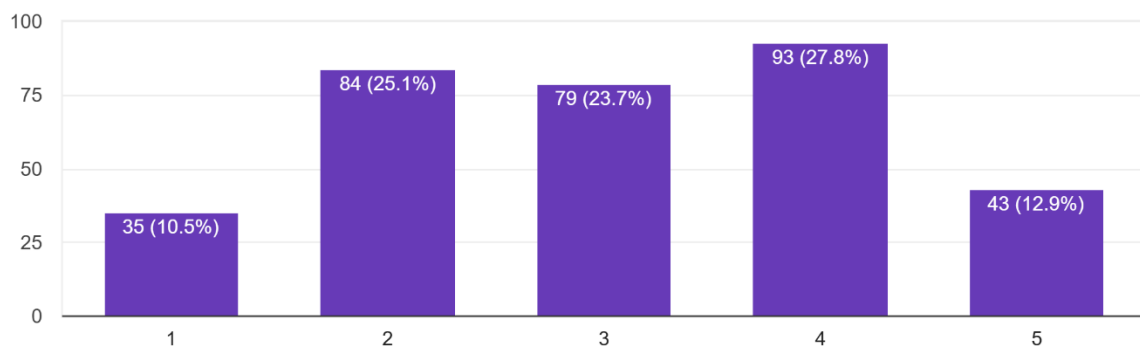
334 responses



This pie chart shows how satisfied 334 respondents were with their working conditions within a company. While a relatively smaller percentage (24%) are content, a sizable portion (26.9%) are not. 24.9% of responses were neutral, showing a sizeable portion that had neither significant positive nor negative emotions. 10.5% are extremely satisfied, while only 13.8% are very disappointed. Overall, the evidence points to a significant degree of indifference or discontent with the organization's working conditions.

2.Do you feel your work is appreciated and recognized by your superiors?

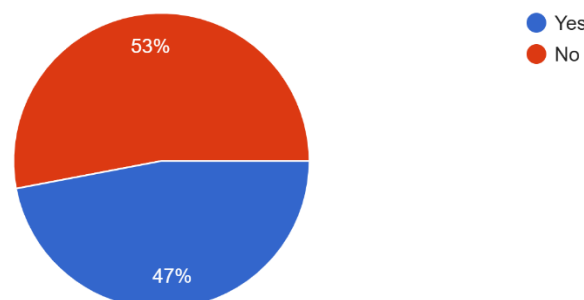
334 responses



The answers to the question, "Do you feel your work is appreciated and recognized by your superiors?" are shown in this bar chart on a scale of 1 to 5. Although the majority of respondents (93, or 27.8%) chose "4", indicating a positive mood, a sizable part also slants toward the lower end of the scale, with 84 (25.1%) selecting "2" and 79 (23.7%) selecting "3." Thirty-five (10.5%) strongly disagreed (1), compared to just forty-three (12.9%) strongly agreed (5). Overall, there is a noticeable range of replies, indicating different degrees of felt appreciation and recognition, despite a slight positive tilt.

3.Are you satisfied with the growth and development opportunities provided by your organization?

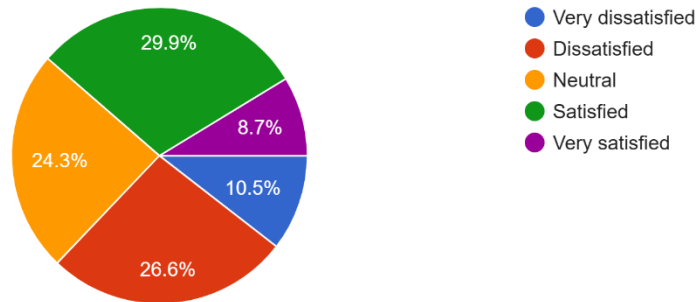
334 responses



All almost equal distribution of 334 respondents' satisfaction with growth and development possibilities may be seen in this pie chart. A sizable 47% are not satisfied, despite the tiny majority (53%) being satisfied. The business may need to assess and maybe improve its growth and development initiatives in light of this close division, which raises certain concerns.

4.How satisfied are you with the work-life balance offered by your job?

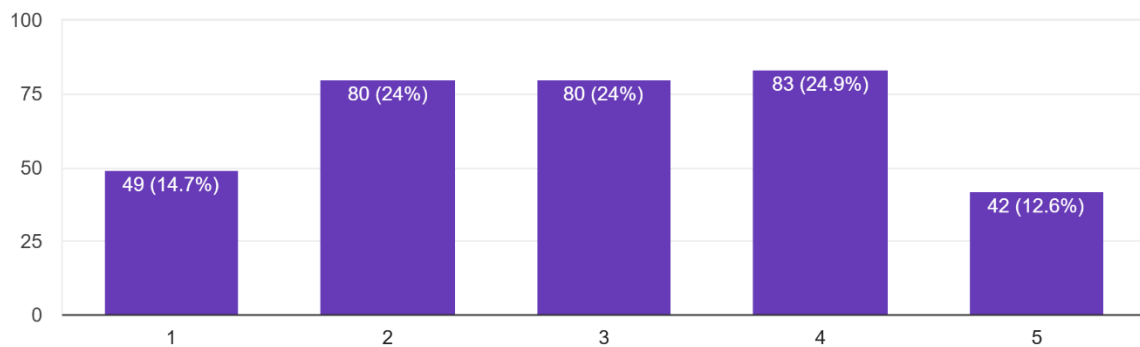
334 responses



The work-life balance satisfaction levels of 334 respondents are depicted in this pie chart. While roughly similar numbers (26.6%) are unsatisfied, a sizable portion (29.9%) are satisfied. 24.3% of responses were neutral, showing a sizeable portion that had neither significant positive nor negative emotions. Merely 10.5% express extreme dissatisfaction, while 8.7% express great satisfaction. Overall, the evidence points to a mixed feeling, with a considerable degree of neutrality or discontent with the organization's work-life balance.

5.Does your role align with your skills, interests, and career goals?

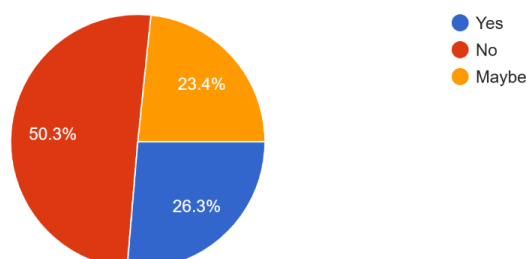
334 responses



On a scale of 1 to 5, this bar chart shows answers to the question, "Does your role align with your skills, interests, and career goals?" The intermediate categories (2, 3, and 4) are very evenly distributed in the distribution, with 24% choosing "2," 24% choosing "3," and 24.9% choosing "4" This implies that role alignment is seen in a variety of ways. 12.6% strongly agree (5), while a lesser percentage (14.7%) strongly disagree (1). Overall, the data shows a tendency toward moderate agreement rather than significant alignment or misalignment, indicating a lack of strong consensus.

6. Have you considered leaving your current organization in the last six months?

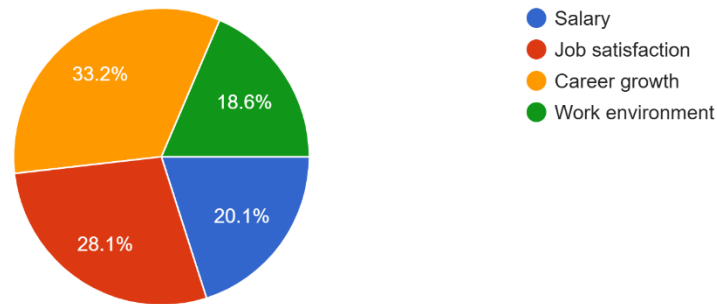
334 responses



According to this pie chart, a sizable percentage of the 334 respondents (50.3%) have thought about quitting their current company within the previous six months. A significant 23.4% are in a "maybe" position, despite the fact that 26.3% have stated "yes" with certainty. Given that most employees have at least considered quitting, this suggests a possible retention issue for the company.

7. What is the primary factor that would influence your decision to stay with your current employer?

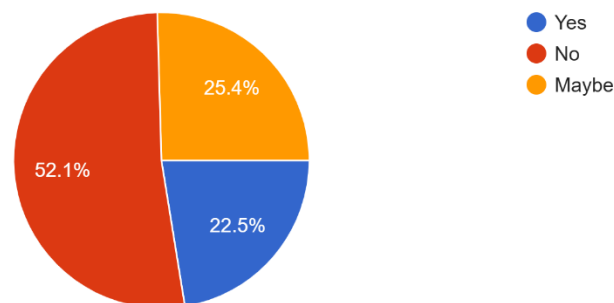
334 responses



The main determinants of employee retention among 334 respondents are depicted in this pie chart. The two most important factors are job satisfaction (28.1%) and career progress (33.2%). The work environment has the least impact (18.6%), although salary is also a significant issue (20.1%). This implies that the biggest motivators for workers to remain with their current employer are prospects for growth and a sense of fulfillment in their positions.

8. Do you believe your organization provides adequate support to retain employees?

334 responses



The majority of 334 respondents (52.1%) do not think their company offers enough assistance to keep staff, according to this pie chart. Just 22.5% of respondents think the support is sufficient, and 25.4% aren't sure ("maybe"). This overwhelmingly negative opinion draws attention to a serious issue with the organization's staff retention tactics.

IV. RESULTS AND FINDINGS

- **Low Workplace Satisfaction:** A sizable portion of workers express neutrality or dissatisfaction with their working conditions, opportunities for professional advancement, and work-life balance.
- **Recognition Needs Improvement:** While employee gratitude varies, a sizable percentage of workers feel underappreciated.
- **Growth and Development Are Key Issues:** Almost 50% of workers are unhappy with their chances for job advancement.
- **Retention is at Risk:** Companies urgently need to improve employee engagement and happiness, as 50.3% of workers have thought about leaving.
- **Needs for Work-Life Balance Attention:** Varying degrees of satisfaction point to the need for improved regulations to promote workers' welfare.

LIMITATIONS OF THE STUDY

Potential Response Bias: It is possible that respondents overstated their levels of happiness or dissatisfaction or gave socially acceptable replies, which could have skewed the results and prevented them from accurately reflecting real-world experiences at work.

Pay Exclusive Attention to the Pharmaceutical Sector Due to its industry-specific nature, the study might not be applicable to other fields. Different industries may have different factors that affect employee retention and work satisfaction.

Cross-Sectional Nature of the Study: Long-term trends or shifts in employee retention and satisfaction are not taken into consideration because the data was gathered all at once. A longer-term investigation would offer a more thorough comprehension.

Limited Scope of Variables: While work satisfaction and retention are the study's main focus, other important aspects including pay, leadership style, and job security were not thoroughly examined. These might have a big impact on retention rates as well.

Self-Reported Data: Because the study uses self-reported questionnaire answers, subjectivity and individual opinions could skew the results. Different employees may have different interpretations of the same inquiry, which could result in conflicting answers.

Lack of Qualitative Insights: The study's quantitative survey data serves as its foundation, but it is devoid of comprehensive qualitative insights. A deeper comprehension of employee experiences and the causes of discontent or retention issues might have been obtained through interviews or open-ended questions.

V. CONCLUSION

- There is a retention issue, since a significant percentage of workers (50.3%) had thought about leaving in the last six months.
- Work-life balance (26.6%) and career advancement (47%) are two factors that contribute to turnover.
- Despite some encouraging feelings, a widespread worry is a lack of acknowledgment and gratitude.
- The position alignment with abilities and career goals is modest, indicating neither great contentment nor discontent; younger employees (those with 1-3 years of experience) are more likely to quit, indicating the need for stronger retention tactics for early-career professionals.

Pharmaceutical businesses must address workplace unhappiness, offer opportunities for professional advancement, and cultivate a supportive work environment in order to increase employee retention.

SUGGESTIONS FOR IMPROVEMENT

Strengthen programs for career growth and development Enhance Initiatives for Work-Life Balance Increase Employee Appreciation and Recognition Improve Employee Engagement and Job Role Alignment Create Effective Onboarding and Retention Plans for New Hires Improve Workplace Conditions and Employee Contentment Put Data-Informed Retention Strategies into Practice.

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