Master's Thesis

Master's Programme:

Business Administration

Factors influencing employees' retention and turnover: A case of automotive industry in Georgia

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Declaration

As the author of this paper, I declare that this thesis presented for the degree of Master of Business Administration is the original report of my research and has been written by me. Due references have been provided on all supporting literatures and resources. I also confirm that this work has not been submitted for any other degree or professional qualification.

"Some of the work described in this thesis, which was later revised, had been written and submitted in the courses Research Methods (Spring semester, 2023) and Academic Writing for MBA (Spring semester, 2023) at Ilia State University Business School. "

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Abstract

The automotive industry of Georgia is expanding and gaining greater importance in the business sector. Moreover, it significantly contributes to the economic development of the country.

The primary objective of this study is to examine which factors affect the retention of employees within the automotive service of Georgia. More precisely, this research sheds light on what prompts employees in this specific industry to leave their workplace. The study findings are intended to help organizations in the automotive industry to improve implemented retention strategies and reduce employee turnover. This study focuses on employee turnover in the auto sector using a descripto-explanatory approach. It adopts an interpretivist philosophical perspective. Based on existing theories, the study develops hypotheses using a deductive approach to theory development. It uses a quantitative mono method approach, collecting demographic information and insights on turnover factors through a survey. To strengthen findings, the cross-sectional study also uses secondary data analysis from academic publications, industry reports, and HR records. Through an in-depth analysis of the challenges associated with employee retention, the research aims to provide valuable insights for companies' management and human capital specialists who are facing the high employee turnover rate and are trying to improve workforce stability and job satisfaction. The given research unpacks what could be the most effective ways to keep employees motivated and on board. Moreover, it discusses the major problems associated with employee turnover, outlines the reasons what prompts employees' intentions to leave, identifies major factors impacting their intentions, and offers retention tactics that complement approaches to deal with disengaged, burnout and unmotivated staff. The workplace environment, company culture, and employees' job satisfaction are positively correlated according to study findings. While fair pay has a significant impact on retention, accessible career progression dramatically lowers intentions to leave. Effective on-boarding,

building positive organizational cultures, well-defined career tracks, and competitive pay appear essential in decreasing employee turnover. Sample size and focus only on one industry represents some of study's limitations. Worldwide and longitudinal perspectives, industrial variety, and comparative analysis could be investigated in future research.