

"The effect of incentives and benefits on
employee turnover"



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DEDICATION

I dedicate this research to my beloved parents without whose support and care completion of this report would not have been possible. Who have always been source of inspiration for me and have guided me and have taught me patience, hard work and have always prayed for me.

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ABSTRACT

The increase of competition in and among different industries rising employee turnover has become a major problem for the employers. And also for this matter researchers have also found this matter worth their time. And to cope with this potential loss of talent and expert services companies now are giving utmost importance to this matter. Turnover has been high since highly professional people have entered the markets and the people who are entering the job market are highly skilled and have expertise in their subject. Due to this the companies have also understood this trend and are also somewhat ready when it comes to dealing with this occurrence. The globalization has broadened the horizons for the skilled workforce. They now have opportunities for them in and outside their countries. To cope with this matter the companies have identified the need to make distinctive strategies and have adapted HR practices which help them in lowering the turnover in their company. Companies realize that finding skilled employees who have the motivation and knowledge to be successful in a position is very difficult now days. And if the company is able to retain that employee for a long period of time the company has protected itself a star performer and which will favor the employer in many ways, most importantly financially.

To retain the employees it is very important for the company to keep the employees motivated and keep their morale high. For this purpose keeping in mind today's business and socio economic environment the organizations have realized that the compensation and benefits provided to the employees have a very strong effect on the thinking of the employee. Previous studies have showed that pay/salary/wage/income given to the employee is the compensation to him/her for the services he provides to the organization and it is basically the exchange given in return to the employee for his expertise which he provides to the organization.

While on the other hand companies have always offered some tangible or non-tangible asset to the employee for his performance. This kind of reimbursement provided to the employee is often categorized under incentives and benefits and is basically given to the employee for his performance which has been shown by him in the past or it may be given to the employee for the purpose of motivation and to inculcate more motivation and devotion for the work and organization on the whole in the employee

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