

THE EFFECT OF EMPLOYEE VALUE PROPOSITION ON
EMPLOYEE RETENTION OF INSURANCE COMPANIES IN
MANMUNAI NORTH OF BATTICALOA DISTRICT

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ABSTRACT

This study investigates the Employee value proposition and its effect on employee retention of insurance companies in Mannar North of Batticaloa district. Employee retention is an act of retain valuable employees within the organization for longer period of time. However this operation of retaining employees for longer period with them is a grand task for every employer, because most of the human resources are not attached for longer period in one place, if their wants are not fully satisfied. In order to make satisfied employees, each and every company develops their own combination of total benefit package which called as Employee value proposition (EVP). EVP is the balance of reward and benefit, work policies and practices, experienced by an employee in return for their work: it describes why the total work experience is better than at any other organization (Hill & Tande, 2006). Through clear EVP organization can achieve greater percentage of employee retention.

There are several research related with employee retention, however in the context of EVP's effect on employee retention in insurance companies there are not much study involved in the research. A structured questionnaire was prepared and distributed to all selected respondents. The study population consists of all insurance companies' employees in Mannar North of Batticaloa district (420 in number). And research methodology employed by simple random sample method in order to derive sample for this study. 200 questionnaires were purposively distributed among employees, eventually very positive response is received and 175 questionnaires were received back duly filled in by the respondents, hence the response rate was 87.5%.

The questions particularly addressed the level of EVP and employee retention and to what extent EVP has impact on employee retention of insurance companies in Mannar North of Batticaloa district. The principal objective of this research is to identify what extents EVP impacts on employee retention of insurance companies in Mannar North of Batticaloa district.

Keywords: Employee value proposition (EVP), Employee retention, Reward, Opportunity, People, Organization, Work.

TABLE OF CONTENTS

ACKNOWLEDGEMENT.....	I
ABSTRACT.....	II
TABLE OF CONTENTS.....	III-X
LIST OF TABLES.....	XI-XII
LIST OF FIGURES.....	XIII

CHAPTER 01 INTRODUCTION 1-7

1.1 BACKGROUND OF STUDY.....	1
1.2 PROBLEM IDENTIFICATION	2
1.3 RESEARCH QUESTIONS.....	4
1.4 RESEARCH OBJECTIVES.....	5
1.5 SCOPE OF THE STUDY.....	5
1.6 ASSUMPTIONS OF THE STUDY.....	5
1.7 ORGANIZATION OF THIS STUDY.....	6
1.8 SUMMARY.....	7

CHAPTER 02 LITERATURE REVIEW 8-16

2.1 INTRODUCTION.....	8
2.2 EMPLOYEE VALUE PROPOSITION (EVP).....	8
2.2.1 Benefits of having a clear EVP.....	9
2.2.2 Attributes of Employee Value Proposition (EVP).....	9
2.3 EMPLOYEE RETENTION.....	11
2.3.1 Significance of Employee Retention.....	12
2.4 RELATIONSHIP BETWEEN ATTRIBUTES OF EVP AND EMPLOYEE RETENTION.....	12

2.4.1 Reward and Employee Retention.....	12
2.4.2 Opportunity and Employee Retention.....	13
2.4.3 Work and Employee Retention.....	13
2.4.4 People and Employee Retention.....	13
2.4.5 Organization and Employee Retention.....	14
2.5 RELATIONSHIP BETWEEN OVERALL EMPLOYEE VALUE PROPOSITION AND EMPLOYEE RETENTION.....	14
2.6 SUMMARY.....	16
CHAPTER 03 CONCEPTUALISATION AND OPERATIONALISATION	17-29
3.1 INTRODUCTION.....	17
3.2 CONCEPTUAL FRAMEWORK.....	17
3.3 EMPLOYEE VALUE PROPOSITION (EVP) MODEL.....	18
3.3.1 Reward.....	18
3.3.1.1 Compensation.....	18
3.3.1.2 Health Benefits.....	18
3.3.1.3 Retirement Benefits.....	18
3.3.1.4 Vacation.....	18
3.3.2 Opportunity.....	19
3.3.2.1 Development Opportunities.....	19
3.3.2.2 Future Career Opportunities.....	19
3.3.2.3 Organization Growth Rate.....	19
3.3.2.4 Meritocracy.....	19
3.3.2.5 Organizational Stability.....	20
3.3.3 Organization.....	20
3.3.3.1 Customer reputation.....	20
3.3.3.2 Diversity.....	20

3.3.3.3 Empowerment.....	20
3.3.3.4 Environmental Responsibility.....	20
3.3.3.5 Ethics.....	21
3.3.3.6 "Great Employer" Recognition.....	21
3.3.3.7 Industry.....	21
3.3.3.8 Informal Environment.....	21
3.3.3.9 Market Position.....	21
3.3.3.10 Well Known Brand.....	21
3.3.3.11 Service Quality.....	22
3.3.3.12 Respect.....	22
3.3.3.13 Risk Taking.....	22
3.3.3.14 Organization Size.....	22
3.3.3.15 Social Responsibility.....	22
3.3.3.16 Technology Level.....	22
3.3.4 People.....	22
3.3.4.1 Camaraderie.....	23
3.3.4.2 Collegial Work Environment.....	23
3.3.4.3 Coworker Quality.....	23
3.3.4.4 Manager Quality.....	23
3.3.4.5 People Management.....	23
3.3.4.6 Senior Leadership Reputation.....	23
3.3.5 Work.....	24
3.3.5.1 Business Travel.....	24
3.3.5.2 Innovation.....	24
3.3.5.3 Job Impact.....	24
3.3.5.4 Job-Interests Alignment.....	24
3.3.5.5 Location.....	24

3.3.5.6 Recognition.....	25
3.3.5.7 Work–Life Balance.....	25
3.4 EMPLOYEE RETENTION.....	25
3.4.1 Overall satisfaction.....	25
3.4.2 Likelihood to recommend.....	25
3.4.3 Likelihood to stay.....	25
3.4.4 Employee loyalty.....	26
3.4.5 Withdrawal cognition.....	26
3.4.6 Turnover intention.....	26
3.4.7 Job vitality.....	26
3.5 HYPOTHESIS OF THE STUDY.....	26
3.6 OPERATIONALIZATION.....	27
3.7 SUMMARY.....	29

CHAPTER 04 METHODOLOGY

30-36

4.1 INTRODUCTION.....	30
4.2 STUDY SETTING, STUDY DESIGN, AND DATA COLLECTION METHOD.....	30
4.3 SAMPLE SIZE AND SAMPLING METHOD.....	31
4.3.1 Sampling Distribution.....	31
4.4 METHOD OF DATA COLLECTION.....	32
4.4.1 Source of data used for this study.....	32
4.4.2 Structure of the Questionnaire.....	32
4.5 DATA PRESENTATION AND ANALYSIS.....	33
4.5.1 Data Presentation.....	33
4.5.2 Method of Data Analysis.....	33
4.6 METHOD OF DATA EVALUATION.....	34

4.6.1 Univariate Analysis.....	34
4.6.2 Bivariate Analysis.....	34
4.6.2.1 Correlation.....	34
4.6.2.2 Linear Regression.....	35
4.6.3 Multivariate Analysis.....	35
4.6.3.1 Multiple Regression.....	35
4.7 SUMMARY.....	36

CHAPTER 05 DATA PERESENTATION AND ANALYSIS 37-55

5.1 INTRODUCTION.....	37
5.2 RELIABILITY ANALYSIS.....	37
5.3 PERSONAL INFORMATION.....	38
5.3.1 Designation distribution.....	38
5.3.2 Gender distribution.....	38
5.3.3 Age distribution.....	39
5.3.4 Working experience distribution.....	39
5.3.5 No. of Served companies distribution.....	40
5.4 RESEARCH INFORMATION.....	40
5.4.1 Level of Employee value proposition (EVP) in Insurance Companies.....	41
5.4.1.1 Reward.....	41
5.4.1.2 Opportunity.....	42
5.4.1.3 Organization.....	43
5.4.1.4 Work.....	44
5.4.1.5 People.....	45
5.4.1.6 Overall level in EVP.....	46
5.4.1.7 Dimensions view of Employee Value Proposition (EVP).....	47

5.4.2 Level of Employee Retention in Insurance Companies.....	47
5.4.3 Relationship between Reward, Work, Organization, People, Opportunity and Employee retention of Insurance Companies.....	49
5.4.3.1 Relationship between Employee value proposition and Employee retention.....	50
5.4.4 Impact of Reward, Work, Organization, People and Opportunity on Employee Retention of Insurance Companies.....	51
5.4.5 Impact of Employee value proposition in Employee retention on Insurance companies.....	52
5.5 CROSS TAB CALCULATION OF EMPLOYEE RETENTION WITH EMPLOYEES' PERSONAL INFORMATION.....	53
5.5.1 Employee retention and Designation.....	53
5.5.2 Employee retention and Gender.....	54
5.5.3 Employee retention and Age.....	54
5.6 SUMMARY.....	55

CHAPTER 06 DISCUSSION **56-68**

6.1 INTRODUCTION.....	56
6.2 PERSONAL INFORMATION.....	56
6.3 RESEARCH INFORMATION.....	57
6.3.1 Research objective one: To identify the level of Employee Value Proposition (EVP) in Insurance Companies.....	57
6.3.1.1 Reward.....	58
6.3.1.2 Opportunity.....	58
6.3.1.3 Organization.....	59
6.3.1.4 Work.....	59
6.3.1.5 People.....	60
6.3.1.6 Overall level in Employee Value Proposition (EVP).....	60
6.3.1.7 Discussion from Previous Study related with level Employee Value Proposition (EVP).....	61

6.3.2 Research objective two: To identify the level of Employee retention in Insurance Companies.....	61
6.3.2.1 Overall view of Employee Retention in terms of Designation.....	62
6.3.2.2 Overall view of Employee Retention in terms of Gender.....	62
6.3.2.3 Overall view of Employee Retention in terms of Age.....	62
6.3.3 Research objective three: To identify the relationship between Reward, Work, Organization, People, Opportunity and Employee Retention of Insurance Companies.....	63
6.3.3.1 Reward and Employee retention.....	63
6.3.3.2 Opportunity and Employee retention.....	63
6.3.3.3 Organization and Employee retention.....	63
6.3.3.4 Work and Employee retention.....	64
6.3.3.5 People and Employee retention.....	64
6.3.3.6 EVP and Employee retention.....	64
6.3.3.7 Discussion from Previous Study related to relationship between Reward, Work, Organization, People, Opportunity and Employee Retention.....	65
6.3.4 Research objective four: To what extents Reward, Work, Organization, People and Opportunity impact on Employee Retention of Insurance Companies.....	65
6.3.4.1 Discussion from Previous Study related to what extents Reward, Work, Organization, People and Opportunity impact on Employee Retention.....	66
6.3.5 Research objective five: To what extents EVP impacts on Employee Retention in Insurance Companies.....	66
6.3.5.1 Discussion from Previous Study related to what extents EVP impact on Employee Retention.....	67
6.4 SUMMARY.....	67

CHAPTER 07 CONCLUSIONS AND RECOMMENDATIONS	68-74
7.1 INTRODUCTION.....	68
7.2 CONCLUSIONS.....	68
7.2.1 Conclusion for Objective One.....	68
7.2.2 Conclusion for Objective two.....	69
7.2.3 Conclusion for Objective three.....	70
7.2.4 Conclusion for Objective four.....	70
7.2.5 Conclusion for Objective five.....	71
7.3 RECOMMENDATIONS.....	71
7.4 LIMITATIONS OF THE STUDY.....	73
7.5 IMPLICATIONS FOR FUTURE RESEARCH.....	74
7.6 SUMMARY.....	74
REFERENCES	75-80
APPENDIX - 01	81-83
APPENDIX - 02	84-87