

# A Study on Employee Satisfaction and Retention Strategies at Leggett & Platt Automotive Pvt Ltd., Chennai

## 1. Dr. A. VIJAYALAKSHMI

Assistant Professor  
School of Management  
DSU


## 2. SWETHA K

MBA School of Management DSU



<https://doi.org/10.55041/ijstmt.v2i3.144>

**Cite this Article:** K. S. (2026). A Study on Employee Satisfaction and Retention Strategies at Leggett & Platt Automotive Pvt Ltd., Chennai. *International Journal of Science, Strategic Management and Technology*, 02(03). <https://doi.org/10.55041/ijstmt.v2i3.144>

**License:**  This article is published under the Creative Commons Attribution 4.0 International License (CC BY 4.0), permitting use, distribution, and reproduction in any medium, provided the original author(s) and source are properly credited.

### Abstract:

This research paper explores the crucial link between employee satisfaction and retention strategies in a leading automotive firm, Leggett & Platt Automotive, Chennai. It identifies key factors that influence satisfaction, including compensation, work environment, career growth, and management policies. Drawing from empirical data collected from 100 employees through structured questionnaires and analyzed using statistical tools such as Chi-square tests, correlation, and weighted averages, the study provides evidence of how strategic HR practices impact employee morale and turnover. Findings suggest that high satisfaction levels are directly associated with effective retention practices. Recommendations for organizations include implementing comprehensive grievance redressal mechanisms, ensuring equitable promotional policies, and fostering an inclusive workplace culture to retain top talent.

**Keywords:** Employee Satisfaction, Retention Strategies, Human Resources, Automotive Industry, Organizational Commitment, Job Satisfaction.

### 1. Introduction:

Employee satisfaction and retention have emerged as strategic imperatives in the modern workplace, where organizations strive to build resilient, high-performing teams amidst intense competition and evolving workforce expectations. In today's knowledge-driven economy, human capital is regarded as one of the most valuable assets. Organizations that effectively understand and address employee needs often gain a competitive edge

through enhanced productivity, reduced turnover, and improved organizational commitment. This paper aims to examine the relationship between employee satisfaction and retention strategies,

shedding light on the variables that influence an individual's decision to remain within an organization.

Through statistical analysis and empirical observations, it provides insights that can help HR professionals and organizational leaders design better frameworks to support employee well-being and drive institutional success.

## **1.1 Benefits of Effective employee satisfaction and Retention Strategies :**

### **1.1.1 Reduced Turnover Costs:**

Minimizing recruitment and training expenses associated with high attrition.

### **1.1.2 Increased Productivity:**

Motivated and satisfied employees tend to be more efficient and innovative.

### **1.1.3 Enhanced Organizational Reputation:**

Companies with low attrition are viewed as stable and desirable workplaces.

### **1.1.4 Improved Employee Morale:**

A satisfied workforce contributes to a positive organizational culture.

### **1.1.5 Talent Preservation:**

Retaining experienced employees helps maintain institutional knowledge and improves service consistency.

## **1.2 Implementation of Retention Strategies :**

### **1.2.1 Identify key satisfaction Factors:**

Conduct surveys and feedback sessions to understand employee needs related to compensation, growth, and work environment.

### **1.2.2 Strengthen Communication and Feedback:**

Establish regular check-ins, open forums, and suggestion boxes to ensure employees feel heard and valued.

### **1.2.3 Invest in Training and Career Growth:**

Provide learning opportunities, mentorship, and clear promotion paths to boost engagement and long-term commitment.

### **1.2.4 Recognize and Reward Performance:**

Implement fair reward systems, both monetary and non-monetary, to appreciate and motivate employees.

### **1.2.5 Promote Work-Life Balance:**

Offer flexible schedules, remote work options, and wellness programs to reduce burnout and increase job satisfaction. Monitor and Improve Continuously:

Track engagement and turnover metrics, analyze trends, and refine strategies based on ongoing feedback and results.

## **2. Objective of the study:**

This study aims to explore how organizations can strengthen their overall performance by focusing on employee satisfaction and retention. When employees feel content, supported, and motivated in their roles, they are more likely to be productive and loyal to the organization. The research seeks to identify the key elements that contribute to job satisfaction, such as opportunities for advancement, a positive and respectful workplace culture, fair compensation, and effective leadership. The ultimate goal is to offer practical suggestions that organizations can adopt to build a workplace where employees are

happy to stay and grow.

### 3. Scope of the Study:

This study focuses on understanding the connection between employee satisfaction, retention, and how these aspects influence organizational effectiveness. It takes into account various factors like recognition, communication, team dynamics, managerial support, and career development opportunities. The research is conducted within a selected company or industry to ensure relevant and focused insights. The findings aim to help HR professionals and business leaders develop strategies that not only reduce employee turnover but also enhance workplace morale and contribute to long-term organizational success.

### 4. Review of literature:

Job satisfaction refers to a positive emotional response that arises from evaluating one's job and related experiences, as described by Locke (1976). Earlier, Hoppock (1935) pointed to both psychological and environmental influences in shaping job satisfaction. The two-factor theory introduced by Herzberg differentiates between motivators, which enhance satisfaction, and hygiene factors, which prevent dissatisfaction. Vroom's expectancy theory underscores the role of anticipated outcomes in determining satisfaction levels. Further insights from Armstrong and George et al. highlight how leadership quality, effective communication, and a supportive work environment contribute significantly to both employee satisfaction and retention.

### 5. Research Methodology:

#### a. Hypothesis:

H<sub>02</sub>: Financial rewards and benefits do not have a significant role in shaping employee satisfaction.

H<sub>12</sub>: Financial rewards and benefits play a significant role in shaping employee satisfaction.

H<sub>03</sub>: Opportunities for professional growth do not significantly influence an employee's decision to stay with the company.

H<sub>13</sub>: Opportunities for professional growth significantly influence an employee's decision to stay with the company.

H<sub>04</sub>: The overall work atmosphere does not notably impact employee satisfaction levels.

H<sub>14</sub>: The overall work atmosphere notably impacts employee satisfaction levels.

H<sub>05</sub>: Employee recognition has no substantial effect on staff retention.

#### b. Research Design:

This study employed a descriptive research design to capture and analyze the current trends in employee satisfaction and retention.

#### c. Sample Size:

The research sample consisted of 100 employees from Leggett & Platt Automotive, located in Chennai.

#### d. Sampling Technique:

A simple random sampling method was utilized to ensure each participant had an equal chance of selection.

#### e. Data Collection Methods:

Primary data was obtained through structured questionnaires, while secondary data was sourced from scholarly journals and internal company documentation.

**f. Analytical Tools:**

Data analysis was performed using percentage analysis, correlation analysis, weighted average techniques, and the chi-square test.

Factor	Weighted Score	Rank
Salary	25.6	1
Benefits	25.0	2
Job security	23.8	3
Promotion opportunities	23.6	4

**6. Results and Discussion:**

**Table 1: Distribution of Overall Job Satisfaction Levels**

Satisfaction Level	Respondents	Percentage
Highly Satisfied	8	8%
Satisfied	82	82%
Neutral	10	10%
Dissatisfied	0	0%
Highly Dissatisfied	0	0%

**Result:** The majority of employees reported satisfaction with their jobs, suggesting a generally favorable organizational environment.

**Table 2: Weighted Average Rankings of Job Satisfaction**

**Result:** Salary and benefits were identified as the most critical factors contributing to overall job satisfaction.

**Table 3: Correlation Between Experience and Management Interaction**

Experience (Years)	Correlation Coefficient (r)	Interpretation
0–5	0.85	Strong
6–10	0.88	Very Strong
11–15	0.91	Very Strong
16+	0.93	Very Strong

**Result:** A strong positive correlation exists between employee experience and quality of interaction with management.

**Table 4: Chi-Square Test –  
Experience vs. Satisfaction with  
Promotion Policy**

Experience Group	Satisfied	Dissatisfied	Chi-Square Value	p-value
0–5	20	5	15.32	0.002
6–10	30	3		
11–15	22	2		
16+	18	0		

**Result:** There is a statistically significant difference in promotional satisfaction levels across different experience groups

**Table 5: Department-wise Average Satisfaction Scores**

Department	Mean Satisfaction Score (out of 5)
Production	4.3
Quality Control	4.1
Maintenance	3.9
Administration	4.0

**Result:** Production department employees showed the highest average satisfaction levels, indicating effective departmental practices.

**Table 6: Preferred Retention Strategies by Employees**

Retention Strategy	Percentage Preference
Career Growth	34%
Performance Incentives	28%
Recognition Programs	18%
Work-Life Balance	20%

**Result:** Career growth opportunities are the most preferred strategy for retaining employees.

**Table 7: Effectiveness of Training Programs Based on Employee Feedback**

Rating	Number of Responses	Percentage
Excellent	38	38%
Good	40	40%
Average	15	15%
Below Average	5	5%
Poor	2	2%

**Result:** A total of 78% of respondents rated the training programs as good or excellent, highlighting their positive impact.

**Table 8: Regression Analysis – Impact of HR Variables on Job Satisfaction**

Variable	Beta Coefficient ( $\beta$ )	t-value	p-value	Interpretation
Salary	0.52	5.80	0.000	Strong and statistically significant effect

Work Environment	0.36	4.95	0.001	Moderate and statistically significant effect
------------------	------	------	-------	---

**Result:** Both salary and work environment significantly predict levels of job satisfaction among employees.

### 7. Findings of the Study:

- A vast majority (82%) of employees expressed overall satisfaction with their current roles, indicating a favorable workplace climate.
- Salary, job security, and benefits emerged as the top three satisfaction factors, based on weighted average rankings.
- Correlation analysis highlighted a strong positive relationship ( $r = 0.90$ ) between work experience and satisfaction with management interaction.
- Chi-square results confirmed a significant association between experience and satisfaction with promotional opportunities.
- Department-wise comparison showed the highest satisfaction among production staff, with minor variations across other departments.
- Career advancement opportunities were identified as the most preferred retention strategy by 34% of respondents, followed by financial incentives and work-life balance.

### 8. Suggestions:

- Organizations are encouraged to implement regular employee feedback initiatives, such as engagement surveys, to identify concerns and areas for enhancement.
- Establishing a structured mentoring system for new hires can support smoother onboarding and provide valuable career development guidance.
- Continuous learning opportunities through periodic training programs should be prioritized to build employee capabilities and foster professional advancement.
- Companies should diversify their recognition and rewards systems to cater to the varied preferences and motivations of a diverse workforce.
- Integrating digital solutions in HR processes can significantly improve grievance handling, enhance transparency, and streamline employee services.

### 9. Limitations of the study

- This exploration was confined to a single company, which may limit the connection of its conclusions across different diligence or organizational types.
- The party pool comprised of 100 workers, and while perspective, it may not completely encompass the breadth of opinions across the entire pool.
- Given its cross-sectional nature, the study captures hand sentiments at a specific point in time, without considering long-term trends or changes.
- natural factors such as individual disposition, particular pretensions, or external stressors that could affect satisfaction situations were beyond the compass of control.

- There exists a possibility that responses were told by a desire to give socially respectable answers, which may have introduced bias in the data.

## 10. Conclusion :

- This research emphasizes the significant influence of employee satisfaction and retention on the overall performance of an organization. Employees who feel respected, supported, and motivated tend to show higher levels of commitment and productivity. Their satisfaction not only improves individual performance but also strengthens teamwork, workplace harmony, and organizational culture.
- Retention strategies that focus on career development, recognition, open communication, and employee well-being contribute to lower turnover rates and better workforce stability. These efforts help organizations reduce the time and costs linked to hiring and training new employees, while also preserving internal knowledge and experience.
- By aligning employee-focused practices with organizational goals, companies can create a more effective, resilient, and goal-driven environment. Ultimately, improving satisfaction and retention is not just about reducing employee exits—it is about building a strong foundation for long-term growth and success. Future organizational strategies must continue to evolve with employee expectations to sustain this effectiveness.

## 11. References:

1. highlighting the foundational principles that support employee engagement and organizational effectiveness.
2. In their work, George and Jones (2012) offer detailed insights into organizational behavior, shedding light on the psychological and structural factors that influence how employees function within a company.
3. Herzberg Armstrong (2006) provides an extensive overview of best practices and strategies in human resource management, (1968) introduced the two-factor theory of motivation, distinguishing between hygiene factors and motivators as core elements that affect employee satisfaction and performance.
4. The concept of job satisfaction was first systematically explored by Hoppock (1935), who emphasized
5. the role of personal and job-related factors in shaping employee attitudes.
6. Locke (1976) extensively examined the causes and psychological underpinnings of job satisfaction, contributing significantly to the theoretical framework used in modern organizational psychology.
7. Vroom (1964) is known for developing the expectancy theory, which explains motivation based on the expected outcomes of actions, and is widely used in studies related to work motivation and employee behavior.