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# 1. Introduction of the organization

Amazon.com Inc is the multinational company which is having presence across the globe and a profitable company and its founder/owner is world’s richest man in the earth now. Amazon is the largest online market place and cloud computing platform in terms of the revenue and market cap. It was founded in year 1994 by Jeff Bezos and it was started as the online bookstore and later on diversified to sell various products online like electronics, video games, audio and video content, apparel and many more. It is largest online company by the revenue in the world and it is also the second largest employment provider in the united states of America.

# 2. Problem faced by the Amazon: High employee turnover

Most of the organization have their own problem and way to deal with it. Here I will discuss about problem being faced by the Amazon in terms of the High employee turnover rate. This problem arise because of the lots of employees are leaving the company every year and it is taking lots of effort in Amazon to find the new talent for the organization technology work. High employee turnover rate is very costly for the organization because organization need to provide training to the new recruit and invest on them heavily to make them able to be productive at Amazon’s workplace. “Median tenure at Amazon is just one year, and Google performs only marginally better with a median tenure of 1.1 years, according to [Payscale’s](https://www.payscale.com/data-packages/employee-loyalty/full-list) recent employee turnover report” (Johnson, 2018). This median tenure of 1 year show that how employees are jumping the ship in middle of the work and to handle this Amazon need to maintain the backup for handling the project. In my opinion if median tenure at any company is three year then it counted as good enough but 1 year is very much at the lower side. While rehiring it can’t be ensured that recruiter can find the same level of expertise and excellency in the new recruit who can fill the gap of leaving employee. “ costs precious time and money and can result in a loss of staff morale”( [Martinelli](https://www.highspeedtraining.co.uk/hub/author/katie/) ,2017). In my view any new recruit takes almost 3 month to cope up with new workplace and be productive for the company. It is also reported that at the Amazon work is topmost priority for the company management and they don’t care about the personal problem of the employees and they want the work done at any cost. So these kind of the behavior from the team management force the employees to leave the company and seek some job which can provide the work life balance. People with some health issue or family problems are leaving the company because management do not have apathy with these type of employees.

At amazon low retention policy is being used but I believe amazon should think about this policy and make sure that talented people don’t leave the company. They should make the alternative arrangement for the leaving employee and should provide the job options which suits best from them. So low retention policy is also the reason of high turnover rate at the Amazon.

# 3. Analysis of the problem being faced by the Amazon.com Inc

There are various reason for this high employee turnover rate for example shortage of tech talent in the Unites states of America. Situation in USA is like that if you hire someone then soon they will start getting lots of calls from the head hunters to jump the ship and join their company and this kind of situation lead the employees to switch the job within the year to get the high payment and other benefits. Other reason for this problem is that the high availability of high tech jobs with very good remuneration and lucrative offers. Innovative startups and high end research is creating the high tech jobs and attracting the talent from the high tech companies like Amazon, Google or Microsoft. Surge in the high tech job availability is providing more power to the employee where they can lead the negotiation with the organization and get the suitable offer as per their own terms. Other reason for the high turnover rate is that employees do not find the enough opportunity to shape their career in positive direction. Other reason for high turnover rate is that no retention policy of the Amazon in which amazon leadership never ever try to retain anyone irrespective of how crucial that resource is and retention was never ever the hallmark of the Amazon. “Hiring new staff ultimately costs money and time”([Spensieri](https://philspensieri.wordpress.com/),2016). Other reason for the high turnover rate might be due to extended working hours and companies usually used to do it when there is scarcity of resources or due to the economic pressure. Some other reason could be the lack of the feedback and recognition from the leadership.

Sometime micromanagement is also the reason for the high turnover rate in the organization. This might also be the case with the amazon and any technocrat do not want to be micromanaged and they want freehand in the decision making and want to take responsibility instead of just following someone’s instruction all the time. Sometime because of high turnover rate, headhunter choose the wrong candidate for the vacant position and that new recruit is not able to cope up with the challenge and difficulty of the job and jumping the ship within a year or so and find suitable opportunity in the market. During recruitment itself recruiting manager should tell clearly about the job roles and responsibility so that interviewed employee can think of which ship he or she I jumping in and what will be long term perspective of joining this company.

Amazon also need to get rid of hire and fire culture because this is giving the bad reputation for the company. Amazon should stop hiring the contract employee because this is not good for the employees in term of the job security and job sustainability. May be amazon is doing the contract hiring just to save the cost which used to incurred in the medical coverage and paid holidays. Medical coverage and paid leaves are the rights of each employees and they shall not be barred from getting it at any cost. So Amazon need think about the contract hiring and change it with permanent payroll with Amazon.

# 4. Intervention design for issue

There could be various thing which need to be taken care to come up with the problem of high turnover rate first and foremost solution to resolve the issue is the employee satisfaction in terms of the job and financial aid. Below is given some of the resolution method which can be used to resolve the issue.

**1- Taking the two way feedback from the employee and management:** Company should conduct the two way feedback session between the team management and the employee. Based on the feedback corrective action should be taken to make sure that relationship between the employee and the management is smooth and there is no grudge or issue with each other. If employee is lacking in the skill set then definitely at the place of terminating the employment by the Amazon some skill improvement session should be conducted so that employee can meet his goal.

**2- Appreciation or recognition by the management:** Hardworking and efficient employee should be recognized for their contribution in the company and that need to be appreciated time to time to make sure that employee feel connected with the company and management and contribute further with better enthusiasm. “Greet them by name, letting them know that you know who they are and what their contributions are to the company”(Thomas, 2019).

**3. Building strong team spirit:** Management need to make sure that within the team or department strong team spirit need to be generated so that team member feel connected with each other and help each other to become better person and improve their performance.

**4. Opportunity shall be provided to use employee skill at the fullest:** Working environment shall be provided in such a way so that each employees can utilize their skill at the fullest and challenging task should be given to the employees so that they can learn new things. Employee should have always new things to learn and in this way employees feel better if their skillset is getting enhanced and thus it will help amazon to increase average employee stay period.

**5. Create honest and open working place:** Companies should try to provide open and transparent working culture. Employee should be clear about the object and goal of the organization and employee should feel empowered economically and skill wise. Team management should help the employee to realize the self-goals and encourage them to achieve the end goal. Company should arrange the social gathering so that employee can have the leisure time and discuss the social issue with each other and feel motivated with each other.

**6. Try to retain employee who are leaving the company:** When employee is leaving the organization then retention policy should be put in place so that employee can give the second thought before leaving the company and may be employee change their mind. Retention policy should be focused on readjusting the target or switching the department which suits best for the employees. “With The Offer, Amazon seems to be making the calculation that weeding out a single unengaged worker is worth as much as multiple thousands of dollars”( [SEMUELS](https://www.theatlantic.com/author/alana-semuels/),2018)

**7. make organization’s goal and expectation of company clear:** It is very much required that organization shall make the expectation from employee very clear at the early stage of the joining the company so that employees can align their goal as per the company goal setting. Organization should have the clear and valid expectation from the employee and expectation should be communicated at the earliest possible time so that employees can work to meet the management’s expectation and give his best to meet the expectation. Company expectation should not change dramatically and next expectation for setting shall be done once previous one is fulfilled.

**8. Empower employees:** Organizations should thing in the direction of empowering the employees so that they can raise their voice whenever needed for their conflict resolution or when things are not happening as per the defined process. For this organization need to setup the grievance department which will listen to all the queries and compliant for the employees and shall do the thorough investigation and try to correct the things which are not happening as per company policy. Team management also need to make sure that open working environment is provided so that team member can put their thought on any discussion and management should listen to those thought and if found appropriate then should be included in the decision making process.

**9. Profit sharing:** Organizations should share some profit with the employees as well in the form of the bonus or through stock option. This will motivate the employee to work hard and contribute in the growth of the organization so that they can ensure the growth for themselves also. Profit sharing is good option for the retaining the employees as they will connected with the organizations goal and vision.

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