



A STUDY ON IMPACT OF HUMAN RESOURCE PRACTICES ON EMPLOYEES RETENTION

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ABSTRACT

Employee retention is a difficult issue for the company. The focus of this study was on employee retention techniques. Employees are the company's most valuable asset. Employee satisfaction should be prioritised by management in order to retain skilled and devoted staff. Determine the causes of employee turnover and take steps to address them. The goal of this research is to show how important staff retention is in today's world.

1. INTRODUCTION

The ability of an organisation to retain its personnel is characterised as employee retention. It is also known as a process in which resources are inspired and encouraged to stay in an organisation for a longer period of time in order to ensure the organization's long-term viability.

Employee Retention's ultimate goal is to make both the employees and the business happy. It encourages committed employees to stay with the company for a longer period of time, which benefits both parties.

Employee retention isn't something that can be dealt with solely through records and reports. It all hinges on how well employers comprehend their employees' numerous worries and how well they assist them in resolving their issues when they arise. Every company devotes time and resources to grooming new workers and preparing them for the workplace.

If such individuals leave after completing their training, the company will suffer a complete loss. When employees leave their jobs after completing their training, the company is utterly at a loss. Employee retention refers to the many steps done to ensure that a person stays with a company for as long as possible.

RESEARCH METHODOLOGY

Objectives of the study:

- To know impact of human resource practices on employee retention.
- To study the satisfaction level of employees of HR practices adopted by the company.

Research design: Exploratory as well as descriptive in nature

Sampling Techniques: Non-Probability Convenience sampling

Sampling frame: Panchal Engineering Works

Data collection: Collection of primary data through questionnaires.

2. LITERATURE REVIEW

Mathur, Atul and Agarwal, P. K. (2013), aimed to understand the impact of retention strategies on employee turnover in sugar industry in India. The focus of this study was on dysfunctional turnover. Other variables such as welfare benefits, personal satisfaction and organization culture, which are associated with the employee turnover, were also investigated as a part of this study. It was found that the main reason for leaving the organization by employees were compensation and working environment. Dhampur sugar mill was the sample used by the author, they collected the data from the management of Dhampur sugar. Results of the study revealed that retention strategies have direct impact on employee turnover. Researcher suggested that by using different HR practices like effective compensation policy, performance appraisal, training and development programme, feedback and assigning competitive work the condition of employee retention can be increased.

Shukla, K., Somesh and Sinha, Deepti (2013), study was undertaken to understand the major issues associated with the retention of the pharmaceutical employees in Dehradun city. The objective was to identify the major causes of the high level of attrition. Respondents were selected randomly. Employees were mainly from Merck India, Lupin Laboratories, Cipla, Eli Lilly, Ranbaxy, The Himalaya Drug Company, Wheezal Laboratories Pvt Ltd., etc. Overall, 200 questionnaires were distributed. Finally, 125 (62.5%) questionnaires were analysed. 75 (37.5%) questionnaires were rejected as they were not properly filled the study also investigated the influence of HR policies, compensation and benefits, work pressure and relationship with the superiors on employee retention. as a result it was found that due to growing expectations among employees at all levels, a majority of employees want to have an improved quality of work life.

Dr. Vinay Chamoli, Dr. Sangeeta (2019), The Impact of Employee Training Practices on Employee Satisfaction, Commitment and Retention: A Case study of Hotels in Chandigarh. This paper aims to study the impact of training on employee's Satisfaction, Commitment and Retention in leading hotels in Chandigarh, and to find out possible aspects for improvements through Human Resource strategies. The main objective of this paper is to find out the impact of training practices on employee satisfaction, commitment and retention. To analyze the assumption parametric data (e.g., Pearson correlation, ANOVA) and regression analysis was applied. Convenience sampling technique was applied to select 210 employees of selected hotels in Chandigarh. The primary data was collected through structured questionnaire designed in a Likert scale format. As a result, it determined that providing training is completely related to superior worker satisfaction, commitment and retention.

Maqsood Haider, Amran Rasli, Chaudhry Shoaib Akhtar, Rosman Bin Mohammed Yusoff, Omair Mujahid Malik, Alamzeb Aamir, Ahmed Arif, Shaheryar Naveed, Fariha Tariq (2015), The Impact of Human Resource Practices on Employee Retention in the Telecom Sector. The objective of this study was to examine the human resource (HR) practices that promote employee retention. with the help of primary data study was conducted, the sample size of this study was 250. Regression analysis was performed to analyse the data. as a result this study guides that management should devise the effective strategies to improve the employee retention.

Eva Kyndt, Filip Dochy, Maya Michielsen & Bastiaan Moeyaert (2009), Employee Retention: Organisational and Personal Perspectives. this study focuses on the organisational and personal factors that influence employee retention. The study was taken place by primary data where a questionnaire was administered to 349 employees, and 11 employees were interviewed. The interviews are used to illustrate and contextualise the quantitative results. The results show a large positive contribution of appreciation and stimulation of the employee-to-employee retention. This result is consistent with findings of earlier research. However, the retention benefits arising from personal development offer new possibilities when attempting to enhance employee retention.

3. DATA ANALYSIS AND DATA INTERPRETATION

Frequency distribution of demographic information: -

From the table it is interpreted that in company they are male and no female are present.

Majority of employees are between age group of 31 to 45 years and followed by 21 to 30 years, less than 20 years and least are above 45 years.

Particular	Percent
Gender:	
Male	59
Female	0
Age:	
Less than 20 Years	11
21 to 30 Years	16
31 to 45 Years	24
Above 45 Years	8

- **If employees want to leave the organization what will be the reason?**

	Frequency	Percent
personal reason	15	25.4
Flexible time	19	32.2
career opportunities	22	37.3
Other	3	5.1
Total	59	100.0

The graph shows that if employees leave the organization the major reason will be career opportunities i.e., 37.3%, and next major reason was flexible time i.e., 32.2%.

- **Hypothesis test summary**

Hypothesis Test Summary				
	Null Hypothesis	Test	Sig.	Decision
1	The median of 10) Organization has a good sustainability program for employees. equals 1.	One-Sample Wilcoxon Signed Rank Test	.000	Reject the null hypothesis.
2	The median of 10) Human resource manager or Staff making efforts to solve employees problems. equals 1.	One-Sample Wilcoxon Signed Rank Test	.003	Reject the null hypothesis.
3	The median of 10)I am dissatisfied with the performance appraisal system. equals 1.	One-Sample Wilcoxon Signed Rank Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

H0: Employees are not disagreeing with the statement that organization has effective human resource polices.

H1: Employees are disagreeing with the statement that organization has effective human resource polices.

In the 1st statement It is observed that P value is 0.000 that is less than 0.005. It indicates that that alternative hypothesis is accepted that is Employees are not disagreeing with the statement that organization has effective human resource polices.

H0: Employees are not disagreeing with the statement that human resource manager or staff making efforts to solve employee's problems.

H1: Employees are disagreeing with the statement that human resource manager or staff making efforts to solve employee's problems.

In the 2nd statement It is observed that P value is 0.003 that is less than 0.005. It indicates that that alternative hypothesis is accepted that is Employees are not disagreeing with the statement that human resource manager or staff making efforts to solve employees problems.

H0: Employees are not disagreeing with the statement that they are dissatisfied with the performance appraisal system.

H1: Employees are disagreeing with the statement that that they are dissatisfied with the performance appraisal system.

In the 3rd statement It is observed that P value is 0.000 that is less than 0.005. It indicates that that alternative hypothesis is accepted that is Employees are not disagreeing with the statement that that they are dissatisfied with the performance appraisal system.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The median of 10) My organization have an effective human resource policies equals 4.	One-Sample Wilcoxon Signed Rank Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

H0: Employees are not disagreeing with the statement that organization has effective human resource polices.

H1: Employees are disagreeing with the statement that organization has effective human resource polices.

It is observed that P value is 0.000 that is less than 0.005. It indicates that that alternative hypothesis is accepted that is Employees are not disagreeing with the statement that organization has effective human resource polices.

4. CONCLUSION

From the study it was found that there were only male in the organization and the majority age group was 35-45years. majority total experience was above 15 years i.e.,39%. 91% of employees were awareabout HR practices followed in the company. Majority of Employees in the organizationachieve career goal by working in the organization. It was found that if employees leaveorganization the major reason will be career opportunities. Every employee said that humanresource practices affect the employee retention.

It was found that there was a significant relationship between Age and recruitment &selection; Organization facilities like canteen, transportation; Training and development;Guidance and motivation; Opportunities for advancement and growth; Job securities;Welfare facilities; Working environment; Compensation and reward system; help in Careerdevelopment. Also, it was found that Employees are not disagreeing with the statement thatorganization has effective human resource polices.

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