

Role Of Human Resources Practices In Career Development And Employee Retention

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ABSTRACT

It might be crucial to identify the reasons for employee attrition and to apply suitable methods for the maintenance of personnel in today's competitive corporate environment, where employee retention is one of the most debated concerns. As a result, it is important for both businesses that their highest-level employees stay put. With that in mind, this study intends to examine how different HRM strategies have affected employee retention in Hyderabad's hospitality industry. Because studies like this are so uncommon in Hyderabad, we have conducted this analysis for two different types of hotels (5 Star and 4 Star) to help fill the void they've left. The purpose of this research was to determine how four HR policies and practices affect employee retention. Therefore, finding talented, ambitious, and skilled workers is a significant difficulty for many businesses. But it's not only finding brilliant people that are hard for businesses; it's keeping them and putting them to good use. The primary objective of this research is to determine whether human resource management techniques have a bearing on the retention and dedication of brilliant personnel. Factor analysis was used to determine the specific components that makeup HRM procedures.

KEYWORDS Employee Retention, HR Practices, Development, Work Environment

INTRODUCTION

Human resource managers and business owners worry a great deal about losing their most valuable workers. If you have good personnel already, keeping them is preferable to finding a replacement and putting them through training and orientation. The retention of motivated and competent individuals who are committed to the success of the business as a whole is crucial, and this may be achieved via careful management of the employee retention process. Many companies are struggling to find effective ways to hold on to their most valuable assets: their most skilled and dedicated workers. Employers that want to boost employee retention should develop strategies and programs that are both effective and methodical. Keeping the finest people on staff is crucial to meeting business goals, keeping customers happy, and ensuring a smooth transition of leadership. A company's greatest strength is in its people. Because of the value, they provide to the company, workers should be treated like shining pearls. Any company's long-term survival and prosperity on its ability to hold on to its most valuable people. The capacity to keep the finest people on staff is crucial to the success of any institution in terms of student satisfaction, academic achievement in the face of rising expectations in the education sector, the happiness of coworkers and support staff, the efficiency of succession planning, and so on. The purpose of this article is to investigate the effect of HR policies and procedures on the retention of educators. The field of human resource management must deal with these difficulties in modern businesses. It offers HR strategies that foster an environment conducive to the growth of effective staff. Human resource methods include training employees on new technology, finding and hiring qualified candidates, and keeping good employees around. Human resource techniques also strive to keep employees knowledgeable, skilled, and able to do their jobs well.

LITERATURE REVIEW

Farhan Zeb et.al (2021): The fast-food industry's image problem was exacerbated. Fast-food upstart Pizza Max has risen to the top of the Karachi market in a short amount of time since its launch in 2009. Pizza Max has 8 locations in Karachi and is rapidly growing as a result of its high quality and excellent customer service. It then expanded to other Pakistani cities with the opening of new branches. The purpose of this study is to have a clear picture of the factors influencing staff retention rates at different Pizza Max locations in Karachi. The primary goal of this study is to examine the relationship between the characteristics under investigation and staff retention rates at Pizza Max in Karachi. The findings of this study provide a well-rounded illustration of some of the variables that have been shown to correlate with worker loyalty. Primary data is gathered by randomly tripping all Pizza Max locations. Using an approach based on random chance, a large number of quantitative data points were gathered via the use of survey questionnaires. However, SPSS was used to evaluate the data, and the results were noteworthy. The study's overarching goal is to explain the connection between the criteria chosen for investigation and employee job retention at Pizza Max. Despite this, the data shows that training at Pizza Max has no effect on employee loyalty. However, at Pizza Max in Karachi, the strongest correlation is shown between compensation and advancement opportunities. As well as assisting future analysts and researchers, this study will be useful to fast food companies looking to increase employee engagement in the company.

Muhammad Hafeez et.al (2020) Human resource methods that help keep workers around are a primary focus of this study. From Shaheed Benazirabad's banking industry, a random sample of 199 workers was taken. The use of a questionnaire for information gathering was authorized. The researchers in this study used regression and correlation to make sense of the data. The empirical data support a causal link between employee retention and HR policies and procedures. Furthermore, the results of this research show that HR policies and procedures may help foster a culture of strong employee ownership, which in turn might help keep workers from leaving the company. It's reasonable to assume that human resource procedures in the banking industry in Shaheed Benazirabad might play a positive and helpful impact in boosting employee retention.

Archana Yadav (2020) The goal of this research is to determine how well NTPC Ltd. uses HRM techniques to forecast whether or not an organization will be successful at keeping its current workforce. According to NTPC's annual reports from 2013–17, the firm had an attrition rate of between 0.93% and 1% of the Middle Executive, demonstrating its effectiveness in both acquiring and keeping the finest people in the industry. Because of its excellent human resource management, NTPC is a frontrunner not just in the power sector but also in the marketplace. The research found that training and development is the backbone of NTPC Ltd. and hence the most important HRM activity. The corporation has a world-class learning center in Noida called the "Power Management Institute" (PMI), which collaborates with the greatest institutions in the world to provide "planned intervention" training for employees at all levels, from entry-level workers to C-suite executives. The information was culled from yearly reports and calendars published by the "Power Management Institute" (NTPC) throughout the course of the preceding five years. In order to better understand the human resource policies and procedures used by NTPC, a survey was administered to NTPC's middle-level executives at their different sites. In this research, we look at how human resource management (HRM) techniques like remuneration, career promotion, and recognition programs may help employees feel more secure in their jobs while also allowing them to maintain a healthy work-life balance. Results show that at NTPC Ltd., Training & Development and Compensation are the two most important

HRM Practices in keeping workers, while Promotion is the least important. Key Words: Human Resource Management Practices at NTPC Ltd.; Employee Retention; Training and Development.

Asetto Diana Atieno (2019) The retention of skilled individuals is vital to a business because employees' knowledge and skills are fundamental to its capacity to remain economically competitive. A company's employees are a strategic asset they may use to gain a market edge. Since a company's success depends on the caliber and productivity of its employees, smart HRM practices are essential for establishing and maintaining a competitive edge. Participants were staff members from Nairobi's 304 officially recognized software development firms. Stratified and simple random sampling methods were used to choose research participants. A total of 456 participants were included in the analysis. The tool for collecting this data was a semi-structured questionnaire that the participants filled out on their own and that had already been verified. Descriptive statistics were used to examine the data from this research with the use of the Statistical Package for the Social Sciences (SPSS) (SPSS, version 21.0). Additionally, the research variables' relationships were examined using both regression and correlation analysis. The report also suggests that software development firms in Kenya design comprehensive career development programs for their employees, with the dual goals of closing skill gaps and allowing workers to advance in their careers.

Marwa Gaber Ahmed Fahim et.al (2018) The study's goal is to better understand the factors that influence the adoption of SHRM practices in the public sector. This study aims to highlight key features of SHRM that have a significant impact on workers' decisions to remain on the team. Here, we provide the results of an empirical investigation that supports the SHRM-retention connection at the National Bank of Egypt and provides more insights into this relationship (NBE). This study takes a causal, reciprocal approach. There is a quantitative component to the study's application and a qualitative component to the study's theoretical framework. Apart from actual research to analyze correlations in practice, this work used the analytical technique to identify the key concepts. Best human resource management methods are seen as a spectacular strategic instrument in this paper's final argument that the government should keep its most valuable personnel. Furthermore, the data study shows that SHRM helps NBE retain its employees.

RESEARCH METHODOLOGY

The study used primary data to inform a research strategy that investigated the effect of HR practices on staff retention. The research used a likert scale questionnaire format to gauge employee sentiment. Employees at 5- and 4-star hotels in the Hyderabad area of Telangana state were surveyed for their thoughts.

A total of 360 manufacturing firms with more than 50 workers were chosen at random and sent the survey through the internet. The Slovak Entrepreneur Index database was the primary resource used to compile the list of 5,371 businesses in Slovakia with 50 or more workers. In this study, we focused on personnel across all levels of the business who had been identified as organizational talents. Our sample frame consisted of a selection of the organizations to which we had access and a subset of their skilled personnel. The questionnaire was sent to several companies with a request that it be given to their workers who were deemed to have organizational talents. Due to the anonymous nature of the questionnaire, it was not feasible to determine with precision what percentage of the organizations contacted responded.

DATA ANALYSIS

To learn how HRM strategies affect employee retention, Data will be collected from workers at both 5-star and 4-star hotels to better understand how HRM policies affect employee retention in the hospitality sector. Participants in the research were required to have worked in the sector for at least a year. The following is a hypothesis tested using bivariate correlation, a statistical method.

Objective Hypothesis

H0: There is no relationship between HRM practices and the retention of employees.

H1: There is a relationship between HRM practices and the retention of employees.

Human resource management (HRM) techniques and staff retention at 5- and 4-star hotels are shown in the table below.

Table 1 Relationship between HRM Practices and Retention of Employees

		Employee Retention	Recruitment & selection	Training and Development	Salary and Monetary benefits	Work Environment
Employee Retention	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	90				
Recruitment & selection	Pearson Correlation	.761	1			
	Sig. (2-tailed)	.031				
	N	90	90			
Training and Development	Pearson Correlation	.606	.578	1		
	Sig. (2-tailed)	.021	.038			
	N	90	90	90		
Salary and Monetary benefits	Pearson Correlation	.783	.607	.751	1	
	Sig. (2-tailed)	.037	.023	.034		
	N	90	90	90	90	
Work Environment	Pearson Correlation	.549	.398	.617	.454*	1
	Sig. (2-tailed)	.646	.041	.027	.016	
	N	90	90	90	90	90

* Correlation is significant at the 0.05 level (2-tailed).

In this context, four HRM activities were examined: hiring and firing, education and growth, pay and benefits, and workplace conditions. Therefore, HRM practices are favorably connected with employee retention, with a substantial correlation between recruitment and selection (0.761) and compensation and benefits (0.783). Education and growth are connected to the 0.606%. With a correlation coefficient of 0.546, the office setting is significantly associated. We reject the null hypothesis and accept the alternative hypothesis, that there is a significant association between HRM practices and the Retention of employees in the hotel business since the P-value of the practices is less than 0.05.

Recruitment & Selection

To "maximize personnel strength in order to accomplish strategic goals and objectives of the workforce," "Recruitment & Selection is a crucial HRM activity." Employee retention was found to have a significant impact on four recruitment and selection practices; this indicated that the majority of Star Hotel staff members strongly agree that the selection procedure is based on the knowledge, skills, and attitudes of the employee and that it is fair and equitable. The retention rate is significantly impacted by the remaining procedures, although only to a minor degree.

Training and Development

The data in the table demonstrates the importance of investing in training and development to retain staff. In the study, researchers looked at four methods often used for employee education and growth in the hospitality sector. It's been found that two of the four practices—"Performance-based feedback & advice" and "providing opportunities to experience what they learn"—have a disproportionately large effect on employee retention, suggesting that they also contribute to workers' enhanced capacity for learning new tasks on the job. Some training and development strategies, such as "engagement of the management in recognizing employee training requirements" and "offering a rich prospective faculty training process from its operational area," had a substantial effect on employee retention.

Salary and Monetary Benefits

In the business world, human resource management is mostly focused on monetary incentives like pay and perks. In this case, the research focused on four specific procedures at the five-star hotel in Hyderabad's central business district in terms of salaries and other financial perks. The study found that "maintaining salary, similar to the market," and "providing statutory benefits" both have a significant impact on employee retention, implying that efficiency in these practices will increase employee retention. Furthermore, the study found that employees are satisfied with their basic pay and the statutory benefits they are provided with. Other measures that have a big impact on employee retention include providing health claims programs and paying workers a competitive wage.

Our underlying assumption was that the dimensions of human resource management practices might account for the observed relationships between the 50 HRM activities we examined. Therefore, the study's overarching goal was to establish the universality of certain features of HRM procedures. Therefore, we decided to use factor analysis as our primary tool for probing respondents' perceptions of HRM techniques. The strategy for extracting shared latent variables was decided upon not at random, but rather in light of two primary indicators: the highest value of the explained variability and the minimal number of significant factors/dimensions. Only the PCA technique achieved an R² of at least 70%, in contrast to the other three methods (MINRES = 52.173%, Maximum likelihood factors = 47.992%, Centroid method = 53.004%, Principal axis method = 44.365%) that did not. The residual correlation matrix values were used to assess the efficacy of the following factor/dimension rotation in human resource management procedures. The residual correlations were reduced to less than 0.1 just by using the Varimax rotation. Values of residual correlations for the other techniques of factor analysis rotation ranged from 0.1 to 0.4, which is not adequate from a practical standpoint (Table 2).

Table 2. Percentage of the variability of items of HRM practices

Factors	Percentage of Item Variability	Total Variance Percentage
Information Sharing (1)	I-5 (31.12%); I-17 (29.34%); I-29 (29.30%); I-30 (45.97%); I-45 (26.20%); I-46 (49.79%); I-47 (41.98%); I-48 (47.75%); I-49 (58.62%)	27.72%
Employee Remuneration (2)	I-6 (63.38%); I-7 (66.44%); I-8(63.78%); I-39 (44.76%)	6.38%
Career Growth (3)	I-31 (41.45%); I-35 (29.80%)	5.54%
Employee Training and Development (4)	I-11 (46.91%); I-12 (41.91%); I-13 (35.43%); I-14 (44.47%); I-15 (43.88%)	4.45%
Performance Evaluation System (5)	I-22 (67.24%); I-23 (56.92%); I-24 (29.93%); I-32 (33.47 %)	4.09%
Internal Recruitment (6)	I-4 (62.68%); I-50 (46.69%)	3.88%
Job Certainty (7)	I-16 (71.53%)	3.54%
Key Competencies (8)	I-19 (58.30%); I-26 (33.92%)	3.25%
Organizational Responsibility (9)	I-9 (41.87%); I-21 (26.60 %); I-36 (47.94%)	3.14%
Employee Engagement (10)	I-25 (37.61%); I-41 (59.44%)	2.68%
Conditional Certainty (11)	I-18 (69.04%)	2.55%
Cooperation (12)	I-27 (64.06%)	2.40%
Organizational Freedom (13)	I-2 (-28.63%); I-10 (25.36%); I-37 (33.44%)	2.24%
Employment/Job Acceptance (14)	I-33 (39.84%); I-43 (50.64%)	2.11%

We utilized Principal Component Analysis (PCA) to determine the most important HRM practices that contribute to the retention of talented individuals and the organizational commitment of talented employees based on the nature of our dataset. The significance of the results of the Kaiser-Mayer-Olkin (KMO) test and Bartlett's Test of Sphericity (Table 3) indicated that the data were appropriate for factor analysis (sig. 0.000).

Table 3. The results of the data suitability test for PCA

	Kaiser-Mayer-Olkin Test		Bartlett's Test of Sphericity	
	MSA	Value	Value	df
HRM practices	0.825	3913.203		153
Talented em-ployee retention	0.888	4171.235		153
Organizational commitment	0.769	3826.215		105

CONCLUSION

Because of this, it's more important than ever for businesses to evaluate not only how they offer services, but also their processes, objectives, vision, performance goals, and performance actions. Recognizing the reasons for staff turnover and implementing the right methods to retain employees is crucial in today's competitive business environment. This investigation on hotel turnover in Hyderabad's five- and four-star establishments is the first of its kind. In order to conform to the most recent and most effective standards and norms, human resource management techniques are always developing and changing inside businesses. The COVID-19 pandemic crisis has also significantly contributed to the development and implementation of new HRM policies and procedures. Organizational commitment acts as a mediator between HRM methods and the intentions of skilled individuals to stay put in the company. According to the social exchange hypothesis, a skilled worker who benefits from a particular HRM policy will strive to pay it forward by giving even more to the company in the form of improved performance and a stronger desire to stay with the company in the future.

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