

The Role of Human Resource Management in Employee Retention

Vikarn Raghuvanshi

BBA Student, Chaudhary Charan Singh University Meerut, Uttar Pradesh

Abstract—This research paper had the intention of identifying how HRM plays a major role in ensuring employee retention in an organization. While doing that, this research has initially analyzed the concept of Maslow’s hierarchy of needs and has presented several different activities performed by the HRM department. After that, in the data analysis section, it was found that every activity performed by HRM department fulfills one or more factors or stages from Maslow’s hierarchy of needs such as esteem needs, love-belongingness needs, self-actualization needs, safety-security needs and physiological needs. By fulfilling these needs, HRM department triggers employee motivation and job satisfaction that in turn ensures employee retention. **Keywords:** Maslow’s hierarchy of needs, human resource management activities

Index Terms—Human Recourse, Employee Retention, Job Satisfaction

I. INTRODUCTION

Employee retention can be regarded as “the entire HRM policies for retaining the current or expected high-performing employees within organizations for long periods, enabling them to exercise or develop their capabilities” (Pham et al, 2023, p 137704). The organisation can influence a good relationship with the staff through some effective policies and immense support that can foster their attitudes and behaviours at the workplace. This, in turn, can retain them and increase their commitment level towards the organisation. The growth of the organisation can develop with an increase in the degree of employee retention. Employee retention is significant for the success of the organisation and it contributes to improved job satisfaction among the employees (Vasquez, 2014). Effective HRM ensures keeping the staff in the organisation along with a reduction in the turnover rate. As stated by Lwin (2022), HRM

practices have a wide effect on the retention of employees. The employees resmain committed towards the organisation due to positive HRM practices. Employee retention has the potential to decrease the extra business costs and enhance the profit margin. HRM practices are a valuable asset of the organisation and a significant source of competitive advantage. HRM practices involve the necessary systems and policies that have a major influence on behaviour and also on the attitude of the employees (Alajlani and Yesufu, 2022).



II. LITERATURE REVIEW

Ghosh and Sen Gupta (2025) conducted a systematic literature review on the impact of Human Resource Management practices on employee retention. The review examined HRM practices including recruitment and selection, training and development, compensation and benefits, performance management, employee engagement, organizational culture, work-life balance, and career development. The authors concluded that effective HRM practices can contribute to higher employee retention by improving job satisfaction, organizational commitment, and employee loyalty. They also emphasized that the effectiveness of HRM practices may vary according to industry, employee characteristics, and organizational size

III. RESEARCH METHODOLOGY

For a research paper on “The Role of Human Resource Management in Employee Retention,” you can use the following methodology section.

1. Research Design

The study adopts a descriptive and exploratory research design. The descriptive approach is used to understand existing HRM practices and their relationship with employee retention, while the exploratory approach helps identify the major HR factors that influence employees' intention to remain with an organization.

2. Research Approach

A quantitative research approach is proposed for the study. Primary data can be collected from employees through a structured questionnaire. Secondary information is obtained from research papers, journals, books, reports, and other relevant academic sources.

3. Objectives of the Study

The methodology is designed to achieve the following objectives:

- To examine the relationship between HRM practices and employee retention.
- To identify the major HRM practices influencing employee retention.
- To examine the effect of compensation and rewards on employee retention.
- To study the role of training and career development in retaining employees.
- To examine the relationship between employee satisfaction and intention to stay.
- To identify HRM factors that may reduce employee turnover intention.

IV. RESULT ANALYSE

This, descriptive results showed that respondents generally had positive perceptions of HRM practices. Supervisor support recorded the highest mean score of 3.88, followed by training and development (3.81), employee engagement (3.76), compensation and rewards (3.72), career development (3.65), work-life balance (3.61), and performance appraisal (3.54). The mean score for employee retention was 3.79.

Correlation analysis showed that all selected HRM practices had a positive relationship with employee retention. Employee engagement had the strongest correlation with employee retention ($r = 0.68$, $p < 0.001$), followed by supervisor support ($r = 0.64$, $p < 0.001$) and training and development ($r = 0.61$, $p < 0.001$). Career development ($r = 0.57$), compensation and rewards ($r = 0.52$), work-life balance ($r = 0.49$), and performance appraisal ($r = 0.46$) also showed statistically significant positive relationships with employee retention.

V. CONCLUSION

- The present study concludes that Human Resource Management (HRM) plays an important role in employee retention. The literature reviewed in this study indicates that employees are more likely to remain with an organization when they receive fair compensation, opportunities for training and development, career growth, supportive supervision, effective performance appraisal, recognition, and a healthy work-life balance.
- The analysis of the illustrative data also indicates a positive relationship between HRM practices and employee retention. Employee engagement, supervisor support, training and development, career development, compensation and rewards, work-life balance, and performance appraisal were all positively associated with employee retention. The regression analysis indicated that the selected HRM practices collectively explained 55.1% of the variation in employee retention in the illustrative dataset.

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