
**UNDERSTANDING THE STRENGTH OF HRM-EMPLOYEE RETENTION
RELATIONSHIP IN THE MANUFACTURING INDUSTRY: A SYSTEMATIC
LITERATURE REVIEW**

Dr. Shivan Sarpal

ABSTRACT

The successful implementation of human resource practices in manufacturing companies poses a greater influence on the firms concerning employee performance, organization innovation, and turnover. The core aim of the present study is to analyze selected HR practices and their relationship with employee retention.

Therefore, the present study relied upon secondary sources, i.e. key research papers from various publication houses and search engines, for conducting a systematic review of HR practices and how they can be associated with employee retention. Five HR practices, namely, training and development, recruitment and selection, performance appraisal, compensation and rewards, and career development have been operationalized.

Outcomes of the study reported that HR practices do relate to employee retention, but with mixed and disparate findings where both strength and direction of the relationships tends to vary. Overall, all selected HR practices (except career development), i.e. training and development, recruitment and selection, compensation and reward, and performance appraisal hold strong positive impact on employee retention, meaning thereby the effective implementation of such four HR initiatives can reduce the likelihood of employee turnover in the organizations.

Contemplating the direct effects of all HR practices would provide an all-inclusive understanding on this topical area. The presence of significant relationships mainly depends upon the priorities assigned and the context wherein such HR practices are implemented in the organizations. The findings of the study will be highly valuable for HR practitioners in the manufacturing sector for mitigating the likelihood of growing attrition rate therein.

Key words: Employee retention, HR practices, recruitment and selection, training and development, compensation, career development, manufacturing sector

I. INTRODUCTION

Due to the present age of volatile business environment, firms are confronting with impending challenges in terms of acquisition and optimum utilization of human resources as they possess highly valuable and exceptional skills, capabilities, and competences which lead the firm to attain sustainable competitive advantage (Jeet & Sayeeduzzafar, 2014). The term employee retention originates during the period of 1970's and mid 1980's when organisations are not much cognizant of the significance of retaining the talented workforce within the organisation. This phenomenon emanates on account of job mobility and voluntary job changes which caused the issue of staff turnover. Thereafter, the management of the organizations started making critical assessments, and hence, employee retention was designed as a management tool to retain the potential staff within the same organization. The growing recognition of employee retention by organizations in the contemporary dynamic and competitive business environment has triggered the implementation of diverse human resource management practices. Further, the role of human resource management (HRM) practices as essential tools for firms that cannot be overemphasized in attracting talent, encourage it, and retain the same (Reuben, Reuben & Cocker, 2023). This realization has been supported by the argument that employee retention promotes stability and continuity within the firm and also leads to improved productivity, profitability and overall performance. In the current scenario, many organizations have started competing with each other at the global level by adopting peculiar and contemporary HRM practices in order to accomplish organizational goals (Wijesiri et al., 2019). In other words, effective HRM practices offer several organization-level advantages, including reputation, profitable performance and employee retention (Lwin, 2022). Thus, HR professionals need to coincide HR practices with the organizational objectives, to introduce right talent in right place, and thereby maintain a culture that encourages efficient performance and greater employee well-being (Sonar & Pandey, 2023).

In today's scenario, the performance of any organization is much contingent on intangible resources as compared to tangible ones, and out of the intangible resource; human resource occupies a significant place in strongly reflecting the organizational performance (Rani, 2023). Hence, regardless of the concerned

industry or sector, HR plays a pivotal function in any organization wherein HR professionals are held accountable for managing the personnel-oriented issues of the business, like hiring, performance, training, compensation, benefits, compliance and culture.

Understanding Human Resource Practices

The concept of human resource practice revolves around people management within the environment internal to the firm, which primarily entails the activities pertaining to the planning, procurement, employment, retention, maintenance, skill enhancement and development of employees (Jeet & Sayeeduzzafar, 2014). These practices represent a set of interrelated practices which aim at fostering the environment to generate greater loyalty and commitment among employees that motivates them to deliver their effective performances, which in turn, results in greater organizational performance (Olaimat & Awwad, 2017). By implementing human resource practices (HRPs) including training and development, compensation, performance appraisal, grievance redressal, and work participation, the efficiency of skilful human resources can be greatly influenced (Kalia, Singla, & Kaushal (2024). Moreover, HR practices including team work, training, performance appraisal and compensation, generates significant influence on the job satisfaction as well (Jeet & Sayeeduzzafar, 2014).

Moreover, the execution of human resource practices in manufacturing companies pose a greater influence to the firms concerning employee performance, organization innovation, and turnover (Kin et al., 2022). The line of reasoning highlights that HRM practices namely training and development (to train potential employees for conducting higher-level tasks), compensation (provisioning of alluring rewards to retain talented manpower) and performance appraisal (to assess workers' strengths and weaknesses), basically act as the foundation strategies to develop talented workforce for upgrading the organizational productivity and strengthen its innovativeness (Francis, 2014). It is important to highlight that human resource practices must be developed on the lines of organization mission, objectives and policies. In fact, the primary aim of HR practices revolves around developing and maintaining strong workplace relationships and bringing alignment between organizational and individual objectives (Rani, 2023). Further, it is expected that HRM practices helps in generating a positive environment and quality working conditions which

increases employees' commitment and dedication to achieve organizations' goals (Hassan, 2022).

Bearing this in mind, the present study focuses on the review of five key dimensions of human resource practices which comprise of training and development, recruitment and selection, performance appraisal, compensation and rewards, and career development.

Understanding Employee Retention

The concept of employee retention revolves around the policies and practices that encourages the employees to stay within an organization for a longer period of time (Francis, 2014). In fact, it has to cope with two facets of HR, namely human resource management (i.e. reward and pay, staffing the suitable talent, administering employee performance) and human resource development (i.e. developing an organizational culture that augments employee engagement) (Alnajim, 2021). It has already been cited in the literature that there is scanty research work on employees' retention pertaining to the plenitude of their determinants, more specifically, HRM practices (Bibi, Pangil & Johari, 2016). Subramaniam, Choo and Johanim, (2019) had beautifully elucidated an 'employee retention rate' by referring to it as an indication that represents the source of competitive advantage or risk for the organization. Overall, retaining skilled employees poses a greater challenge for organizations in light of increasing staff turnover rate due to which firms have to consider an integrated set of intrinsic and extrinsic factors that can influence the employees' decision to stay (Samuel and Chipunza, 2009). Lwin (2022) also highlights employee retention as the most significant business problem for all companies.

II. REVIEW OF LITERATURE

Different conceptual perspectives have been proposed by various researchers to elucidate the concept of employee retention and delineate the role of HR practices in it. First of all, the premises developed under social exchange perspective also holds prominence for the present study (Van Beurden et al., 2020; Kakar and Saufi, 2021; Alam et al., 2024). The significance of HR practices also emerges from the standpoint of other theoretical perspectives including Herzberg two factor theory, theory X and Y, Maslow hierarchy need theory etc for settling the turnover and employees' retention issues (Shah, Durrani & Ishtiaq, 2021). To extend this

discussion, social exchange theory explains how employees mutually build beneficial connections with their employers by way of exchanging their free-willed efforts for perceived benefits from HRM practices and thus, offers conceptual rationalisation towards designing and implementing HRM practices effectively, owing to which employees satisfaction level tends to elevate, thereby results in greater engagement (Alam et al., 2024). By implementing social exchange theory on employee retention and stimulating interactive working and respectful culture and open discussions through continuous coaching and one to one sessions; supporting relationship management, and organizing recognition programs. This would develop more trust among the employees and helps in building positive relationships (Alnajim, 2021).

Another conceptual standpoint revolves around Herzberg two factor theory that highlights that pay and reward like factors are immaterial for enhancing employee's motivation and retention (Shah, Durrani & Ishtiaq, 2021). Herzberg had identified two factors, i.e.:- the motivating factors and satisfying factors. The application of this theory to employee turnover shows that if the employees are motivated and satisfied with their jobs, they have no intention or no reason to jump into another ship (Azeez, 2017). Studies including Hassan (2022) demonstrate that both motivators as well as hygiene factors are pivotal in stimulating and retaining employees. Past research has attempted to establish connections between employee turnover and retention with the Maslow's theory. According to Maslow, the satisfaction of human needs can be made at five levels which are arranged in a definite sequence, including physiological needs, safety needs, belongingness/social needs, self-esteem and last being self-actualization needs.

Academic Outlook on HRM Practices: Measures and Effects

It is well-documented in the literature that HR practices facilitate enhancement in the performance of the employees (Mira, Choong & Thim, 2019), and promotes the level of organizational commitment (Juhdi, Pa'wan & Hansaram, 2013), thus, it can be utilized as a method for the turnover intention of the employee (Rahman & Raju, 2020). The scope of HR practices examined in the past studies is not confined to a certain set of practices like training and development, recruitment and selection, compensation, performance appraisal, etc as can be evinced from Francis (2014), Bambarandage and Rathnaweera (2018), Rahman & Raju (2020),

Hassan (2022) etc. However, Bibi, Pangil and Johari (2016a) extended the scope of HRM practices by covering promotional opportunities and job security. Azeez (2017) had analysed the effect of leadership, reward, salary, compensation, training and development, career development and employee recognition that can lead to employee retention. Other practices analysed in the past literature namely job control, person-job fit (Juhdi, Paw'an & Hansaram, 2013), work-life policies (Hee et al., 2018), employees' wellbeing and welfare, teamwork and employees' relationship (Hussainy, 2019), employee empowerment (Malik, Baig & Manzoor, 2020), security, work-life balance and quality of work life (Foong et al., 2015; Yadav, 2020), working conditions (Almanie, 2022), grievance handling and employee participation (Kalia, Singla & Kaushal, 2024). Further, Ramapriya and Sudhamathi (2020) enlisted a wide range of practices including recruitment, training and development, socialization, compensation and rewards, pay levels and satisfaction, supervision, communication, supportive workplace, management development, and employee engagement, which can facilitate HR managers to attain employee retention objectives. Apart from training and development and compensation, Noranee et al. (2021) also considered supervisor support in the ambit of HR practices.

Past Academic Research on HR Practices-Employee Retention Relationships

Numerous studies have pointed out the likelihood that human practices can raise the level of employee retention (Alajlani & Yesufu, 2022) and thus, can exhibit significant relationship with the latter (Immaneni & Sailaja, 2020). Although many studies have attempted to analyse the effect of selected HRM practices including training and development, career development, compensation and benefits, performance appraisal and achievement etc on the employee retention (Tangthong, 2014; Hassan, 2022), yet the research outcomes extracted in the past literature is not consistent in nature. Studies like Francis (2014) indicated that it is only compensation and benefits which had reported positive effect on employee's intention to stay. Further, recruitment & selection reported significantly greater effect on employee retention in Immaneni and Sailaja (2020).

On the flip side, it has also been observed that HRM practices can exert significant negative effect on turnover intention (Bambarandage & Rathnaweera, 2018). More specifically, Dawwas and Zahare (2014), in their study, documented that all

of the five HR practices including training, job characteristics, performance appraisal, career development, and compensation show negative effect on turnover intention.

Moreover, different research studies have reported the significance of different HR practices on employee retention or turnover intention, like training and development (Shibu & Hariharasudhan, 2019), compensation (Francis, 2014; Bambarandage & Rathnaweera, 2018; Patel & Patel, 2022; Satpute et al. 2022) etc. Adding to it, Yadav (2020) divulged that three practices, namely training & development, compensation and quality of work-life were highly significant practices for employee retention, however, promotion and work-life balance were found to be least significant. In contrast, work-life balance had depicted significant positive correlation with talent retention (Foong et al., 2015). Extending the above discussion, Noranee et al. (2021) observed no impact of training and development on the employees' retention but found positive (negative) relationship of compensation (supervisor's support) with employee retention. Similarly, Hassan (2022) also showed mixed results by reporting significant positive influence of reward and compensation, and insignificant impact of career development, training and development, and performance appraisal on employee retention. Alajlani & Yesufu (2022) had also showed strong and positive influence of performance appraisals, weak positive effect of empowerment and compensation and benefits along with insignificant (negative) impact of recruitment and selection (training and development). Further, studies also presented that compensation and performance appraisal report maximum impact on job satisfaction followed by staff work participation and the staff work participation showed highest influence on employee retention followed by grievance handling (Kalia, Singla & Kaushal, 2024).

It is also divulged in Silas et al. (2020) that training and development, compensation benefits and job security generated a positive and significant influence on employees' retention, however, the opposite results were observed for industrial relations and performance appraisal which had depicted inverse effects. Similarly, Lee, Singram and Felix (2013) also reports that the reward was found to be highly correlated with employee retention followed by performance appraisal. In contrast, the study could not be able to locate strong significant relationship between selection and employee retention. In addition, Juhdi, Pa'wan

and Hansaram, (2013) found that career management and job control showed an insignificant influence on turnover intention. Overall, HRM practices are positively associated with job satisfaction and organisational commitment (Amah & Oyetunde, 2019), thereby, encourages the employees to stay.

Identification of Research Gaps

Although the investigation in the area of employee retention is quite substantial in nature, however, limited research focus has been assigned to the manufacturing sector (Subramanian, Choo & Johari, 2019). It can be argued that manufacturing companies have to confront the challenges of hiring and retaining the most skilled personnel to maintain their market leadership (Kin et al., 2022). Therefore, HR practitioners in the manufacturing companies must be well cognizant of the latest scenario alongwith the mindset of employees to develop more effective policies for fostering employees retention and minimizing turnover rate.

Relying upon the above arguments, it will be intriguing to research how different HR practices namely training and development, recruitment and selection, performance appraisal, compensation, and career development can impact the level of employee retention in manufacturing industry.

III. RESEARCH BACKGROUND, STUDY DESIGN AND METHODOLOGY,

Research Objectives and Research Questions: The core aim of this research is to examine the significant Human Resource Management (HRM) practices and how they can be associated with employee retention in manufacturing industry. The concerned two research questions are framed as follows:

RQ1: Does the HRM practices have significant impact on employee retention in manufacturing sector?

RQ2: How the implementation of HRM practices can reduce the extent of employee quitting in manufacturing sector?

Research Approach: The present study is based on the achievement of research objectives through conducting literature survey by performing secondary research analysis. The unit of analysis will be selected research articles on the effect of HRM practices on employee turnover in the manufacturing industry. The inclusion criteria for studies will include research articles, academic reports, and

case studies published in reputed journals or conference proceedings from 2005 to 2025, in English language, and must relate to the impact of HRM practices on employee retention. Thus, a deductive approach has been followed in this study.

Selection of HR Practices: Most of the researchers have primarily focussed on training and development, recruitment and selection, performance appraisal, compensation, reward and pay, career development (Kumari & Chauhan, 2013; Francis, 2014; Bambarandage & Rathnaweera, 2018; Shibu & Hariharasudhan, 2019; Malik, Baig & Manzoor, 2020; Rahman & Raju (2020), Yadav 2020; Noranee et al. 2021; Patil & Patel, 2022; Satpute et al. 2022; Hassan, 2022; Kalia, Singla & Kaushal, 2024). Hence, the present study focuses on the aforementioned five HR practices, the operationalisation of which is provided as hereunder (Table 1)

Data Collection Method: The method of data collection will be secondary, i.e. gathering published data from Google Search Engine and various publication houses for evaluating relevant research papers from the past literature. More specifically, relevant research papers will be identified through a comprehensive exploration of academic databases, including Google Scholar, ResearchGate etc and publication houses such as Emerald, SSRN, Wiley, ScienceDirect, and many others. The selected past research papers from the relevant literature will be utilized for the data collection. Various data collection sources such as published printed or electronic sources, books, journals, e-journals, etc will be referred. Two instruments namely, keyword search and backward chain, have been followed to gather the research articles sufficient for the analysis.

Data Analysis Techniques: The study will employ systematic literature review technique which focusses on gathering, critically evaluating, assimilating, and presenting research findings from multiple research papers on the research questions developed for the study (Pati & Lorusso 2018).

V. ANALYSIS AND DISCUSSION

Findings Pertaining to HRM Practices-Employee Retention Relationships

a) Training and Development

The analysis of selected research studies has indicated mixed and disparate outcomes. Most of the studies have reported a positive effect of imparting training to the employees on their retention level which covers Foong et al. (2015), Bambarandage & Rathnaweera (2018), Shibu and Hariharasudhan (2019); Kin et

al. (2022), Patil and Patel, (2022), etc. Further, studies endorse this viewpoint by stating that the positive linkage between training and retention of employees and their decision to stay longer in their organizations is largely impacted by the training practice (Satpute et al., 2022).

Hence, the afore-stated findings support the contention that any variation in training and development would highly influence the employees' decision to stay within the organization since provisioning of training in the workplace upgrades the level of task efficiency, heightens interest, builds more satisfaction and organizational commitment and loyalty, which in turn, triggers the employees to cling to their organizations. Therefore, research favours the adoption of training and development as a viable strategy for refining the employees' skills and pulling downward the employee turnover rate (Kumari, 2022). On the contrary, the research work also provides no evidence of a significant positive impact of training and development on employee retention (Imna and Hassan, 2015; Hassan, 2022; Kalia, Singla & Kaushal, 2024). Viewing from another lens of literature, Imna and Hassan (2015) found that when training and development is associated with another HR practice, say, career development, then a significant positive effect can also arise on employee retention. Considering the fact that majority of the research work is in favor of significant effect of training and development, hence, supports that states that training and development is positively related to employee retention.

b) Recruitment and Selection

Many studies have affirmed the positive effect of recruitment and selection on the employee retention (Olaimat & Awwad, 2017). Further, it is also observed in some studies that recruitment and selection do not appear to be or least significant in impacting employee's turnover intention (Lee, Singram & Felix, 2013; Hee et al., 2018). Since majority of the studies have affirmed positive effect of recruitment and selection on the employee retention (Olaimat & Awwad, 2017), thus, supports the notion that when highly efficient, talented and constructive people are recruited, organization gets immense benefits in terms of higher productivity, more profitability, greater commitment level, conducive employer-employee relationships etc that promotes the likelihood of employees' retention (Hussainy, 2019). It has also been observed that the positive effect of recruitment and selection practice can be envisaged in light of its significant influence on

organizational performance as stated in Rani (2023) as selection of the most appropriate candidate for the job vacancy tends to mitigate employee inefficiencies and related costs. Even though there are mixed and disparate findings, most of the research outcomes in the past studies have proved the existence of positive relationship between recruitment and selection with the employee retention/turnover intention.

c) Performance Appraisal

Most of the studies highlighted the implication that fair and inclusive performance appraisal offers better outcomes in terms of greater employee retention (Lee, Singram & Felix, 2013, Hamidi, 2023). The above findings seem to be consistent with the proposal propounded by Bibi, Pangil and Johari (2016a) that there is positive association between performance appraisal and employee retention. This positive impact of an appraisal emanates from the fact that the organization is highly dedicated towards addressing employees' needs by strengthening their development (Hamidi, 2023).

Analogous to the above practices, insignificant outcomes of performance appraisal on employee retention have also been reported in studies such as Imna and Hassan (2015) and Hassan (2022). The research work also exhibits a combined positive effect on employee retention after integrating performance appraisal with reward and compensation practice (Imna and Hassan, 2015). In line with the majority of the findings, it can be inferred that performance appraisal is positively related to employee retention.

d) Compensation and Rewards

Reward system is showing positive and significant impact on employee retention (Lee, Singram & Felix, 2013; Foong et al. 2015; Imna and Hassan, 2015; Hassan, 2022; Lwin, 2022), hence, corroborates the notion of researchers that state the significant effect of increasing salary, direct or indirect rewards and recognition on the employees' inclination to be with their organization (Bambarandage, & Rathnaweera, 2018; Subramaniam, Choo and Johanim, 2019). It also upholds the contention that insufficient financial compensation/reward may result in employees' dissatisfaction with their current employer, which increases their likelihood to quit the organization (Subramanian, Choo & Johari, 2019). Supporting this argument, inducement based HR practices like extensive benefits and performance expectation-oriented HR practices such as bonuses, pose varied

influences on the quit rates (Schimdt et al., 2018). In fact, this has emerged as the most significant factor in predicting the retention or turnover intention of employees (Lee, Singram & Felix, 2013; Hee et al., 2018; Hassan, 2022).

e) Career Development

As far as the analysis of career development as HR practice is concerned, few studies have conceptually attempted to find the afore-stated relationship but could not strongly support the same (Juhdi, Pa'wan & Hansaram, 2013; Tangthong, Trimetsoontorn & Rojniruntikul, 2014; Azeez, 2017; Yadav, 2020). Although Imna and Hassan (2015) observed significant positive direction in ascertaining the impact of career development on employee retention, yet again some studies could not indicate any significant impact of career development (Bambarandage & Rathnaweera, 2018; Hassan, 2022). Further, it is also seen that career development increases employees' commitment (Prabusankar, 2017). Added to it, career management cannot itself be a significant predictor and thus depends upon the inclusion of other variables like organizational engagement (Juhdi, Pa'wan & Hansaram, 2013), to produce significant effect on employee retention. Since there is less support towards recognizing that career development is positively related to employee retention.

Discussion and Implications of the Study

Analysis has displayed large incongruity in the literature concerning the direction and magnitude of the variables under study (Dawwas & Zahare, 2014; Francis, 2014; Bambarandage & Rathnaweera, 2018; Shibu & Hariharasudhan, 2019; Yadav, 2020; Noranee et al., 2021; Alajlani & Yesufu, 2022; Hassan, 2022; Patil & Patel, 2022; Satpute et al. 2022). It is further observed that to determine the most critical predictor of employee retention, comprehending the degree of impact and significance of any selected HR practice is highly important (Alajlani & Yesufu, 2022) as it will reflect the HR managers to concentrate upon significant practices only. The potential reason for such diversity in research findings can be attributable to varied institutional contexts, different variables of interest as HR practices, different research methodologies (varied sample sizes, distinct statistical techniques, incompatible prepositions, and causal linkages, altered measures) etc. The disparity among the research findings on the relationship between HRM practices and employee retention has been supported in the past research literature as well (Bibi, Pangil & Johari, 2016b). The literature also reflects a little

consensus towards considering HRM practices for examining its association with employee retention (Bawa & Muhamad, 2005; Wijesiri et al., 2019; Almanie, 2022). This finding has been derived after contemplating two-way facets of HR practices-employee retention relationships which states that HR practices may or may not be effective in reducing employee turnover. Further, if HRM practices turns out to be effective, it has been observed that all studies do vary in reporting the significance of even similar HR practices. Further, evidences like Bawa and Mohamad (2005) reports that employees may continue to quit their organizations regardless of the type of HR practices followed therein. The reason behind this could be the presence of economic factors where employees have access to other job alternatives in the market.

A vast majority of the research papers identified from the literature have pointed out that there is no single set of specific HR practices which can impact employees' retention rather different organizations concentrate on different HR practices according to their requirements. Thus, research outcomes of past studies could not be able to suggest one unified practice as followed under 'one practice fits all' approach. This finding has also been endorsed by Hussainy (2019).

The set of findings presents remarkably different outcomes for different HR practices like training and development (Shibu & Hariharasudhan, 2019; Silas et al., 2020; Yadav, 2020; Noranee et al., 2021), compensation (Francis, 2014; Bambarandage & Rathnaweera, 2018; Silas et al., 2020; Yadav, 2020; Noranee et al., 2021; Hassan, 2022; Patil & Patel, 2022; Satpute et al. 2022), insignificant promotion and work-life balance (Foong et al., 2015; Yadav, 2020), negative relationship of supervisor's support (Noranee et al. (2021), insignificant impact of career development, and performance appraisal (Hassan, 2022), positive impact of performance appraisal, weak positive effect of empowerment and compensation and benefits along with insignificant (negative) impact of recruitment and selection (training and development) (Alajlani & Yesufu, 2022), negative results for industrial relations and performance appraisal (Silas et al., 2020), insignificant relationship between selection and employee retention (Lee, Singram & Felix, 2013), insignificant influence of career management and job control (Juhdi, Pa'wan and Hansaram, 2013). Such evidences generally pointed to the observation that the significance of above-mentioned relationships mainly depends upon the context in which the HR practices are implemented in the organizations and the

priorities which HR managers assign differently to various HR practices. Moreover, it can also be viewed from another angle, which highlights that the outcome of insignificant HR practices in one research setting may turn out to be significant in the another. Overall it cannot be concluded that the HR practices are immaterial in retaining the workforce in any organization.

VI. CONCLUSION

To conclude, the present analysis of literature shows that the level of employees' retention can be amplified when the organization implements HRM practices more effectively. Such practices mainly comprise of training and development, recruitment and selection, performance appraisal, compensation and rewards except career development which has received little empirical support from the extant literature. Further, the variability among the research studies pertaining to the positive impact of HR practices on employee retention highlights that different industries in different countries have disparate social and economic factors prevailing therein which can influence the effectiveness of HR practices being followed in the organizations. Therefore, different industries may experience different workforce challenges, opportunities, and implement appropriate practices, thus warranting different HR skills and competencies for different industries.

It is indispensable to comprehend the requirements of the employees from their organization and what is being delivered to them by recognising their needs. Employees may switch to other organizations because of inefficient supervision, unchallenging designation/work assignment, restricted growth, recognition and advancement opportunities, inadequate task-related autonomy, perception of more pay and career opportunities in other firms. Hence, organizations must act intelligently to retain their employees by facilitating a congenial working environment, fostering good relationships with employees, attractive compensation packages and benefits, arranging flexible working schedules, investments for organizing training and development facilities to inculcate an improved learning environment. In addition to above, the management must extend full cooperation, stimulate open communication and transparent climate, and promote employee empowerment which will ensure greater job satisfaction and more employee retention. Manufacturing companies should appreciate and

recognize their employees by treating them fairly, fostering two-way or open lines of communication, introducing fair pay system, developing employees' competencies and offering opportunities to them regularly to prepare them to undertake senior responsibilities in the future.

Therefore, it is imperative to design and adopt proactive HRD interventions to keep highly engaged and committed employees for maintaining organizational competitiveness and sustainability. The findings generated in the present study will be highly valuable for human resource managers to realize the significance of sound HRM practices in influencing the level of employee retention in the manufacturing industry. The proposed recommendations could be a best practice guide for both academics and managers to implement actions and manage talented workforce.

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List of Tables

Table 1: Definitions of HR Practices

S No.	HR Practices	Definitions
1.	Training and Development	Developing skills and competencies of talented workforce through offering professional development opportunities and implementing learning programs in line with employee development plans.
2.	Recruitment and Selection	Searching and hiring applicants for job role and then selecting suitable candidates from the shortlisted applicants
3.	Performance Appraisal	Systematic and periodic review of employee's job performance by evaluating an employees' skills,

S No.	HR Practices	Definitions
		achievements and growth and involves subjective evaluation of employee's strengths and weaknesses.
4.	Compensation and Reward	Rewards and incentives provided to the employees by managing their pay and other benefits which includes salary, monetary and non-monetary privileges.
5.	Career Development	Supporting employee's professional growth by way of skill development, career pathing and planning, networking etc.

Source: Compiled from the Relevant Literature

Author Profile

Dr. Shivan Sarpal is currently serving as an Assistant Professor in Khalsa College of Law Amritsar, Punjab. She possess specialization in the areas of accounting and finance, business management and financial market and services. She has 18 research papers to her credit which are published in reputed national and international journals and edited books. She has presented more than 30 papers in conferences and seminars held at national and international level.

