



# A STUDY ON HR PRACTICES TOWARDS EMPLOYEE RETENTION WITH REFERENCE TO THE TEXTILE INDUSTRY

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## Abstract

Employee retention is a critical challenge in labour-intensive industries such as textiles, where high turnover adversely affects productivity, quality, and organizational stability. This study examines the role of Human Resource (HR) practices in influencing employee retention in the textile industry, with special reference to KPR Mill Limited. Using primary data collected from 101 respondents and supported by secondary sources, the study evaluates key HR practices including recruitment, training, compensation, performance appraisal, welfare measures, and career development. Statistical tools such as percentage analysis, chi-square test, correlation analysis, ANOVA, and Friedman rank test were applied. The findings reveal a moderate and statistically significant positive relationship between HR practices and employee retention, indicating that effective HR systems play a crucial role in workforce stability.

## Keywords

Employee Retention, Human Resource Practices, Recruitment and Selection, Training and Development, Compensation and Benefits, Performance Appraisal, Employee Welfare Measures, Career Development, Workforce Stability, Organizational Commitment, Employee Turnover, HR Strategies, Industrial Relations, etc...

## Introduction

Human Resource Management (HRM) is fundamental to organizational success, particularly in industries that depend heavily on human labour. Employee retention has emerged as a major concern in the textile industry due to issues such as low wages, long working hours, limited career growth, and inadequate welfare facilities. High employee turnover increases recruitment and training costs while reducing operational efficiency. This study focuses on understanding how HR practices contribute to retaining employees and enhancing organizational performance. Employee retention has emerged as a critical concern in the textile sector due to various structural and operational issues. Factors such as relatively low wages, extended working hours,

physically demanding tasks, limited opportunities for career advancement, and insufficient welfare facilities often lead to employee dissatisfaction. As a result, organizations experience high employee turnover, which disrupts workflow, reduces productivity, and affects product quality. Frequent employee exits also increase recruitment, selection, and training costs, placing additional financial burdens on organizations. Moreover, constant workforce changes weaken team cohesion and organizational stability.

### Statement of the Problem

The textile industry experiences high employee turnover caused by dissatisfaction with compensation, working conditions, limited training, and weak HR policies. Despite the importance of employee retention, many textile organizations fail to adopt effective HR practices. This study addresses the gap by analyzing whether existing HR practices effectively support employee retention.

### Objectives of the Study

- To identify key HR practices adopted in the textile industry
- To analyse the impact of HR practices on employee retention
- To study employee perception towards HR policies
- To examine the relationship between HR practices and retention

### Need for the Study

Retaining skilled employees is essential for productivity and long-term stability in the textile industry. This study helps identify strengths and gaps in HR practices and provides insights for improving retention strategies while contributing to academic research in HRM.

### Research Methodology Research Design

The study adopts a descriptive research design to analyse existing HR practices and employee perceptions.

### Sources of Data

- **Primary Data:** Structured questionnaire administered to employees
- **Secondary Data:** Books, journals, company records, and research articles

### Sampling Technique & Sample Size

Convenience sampling was used, and data were collected from 1100 employees of KPR Mill Limited out of that which 10% of employees (110) respondent alone was collected. Due to incomplete information by the respondent 9 data of the respondent were eliminated, Finally 101 respondent's data were taken for the analysis purpose.

## Tools for Data Collection &amp; Analysis

- Questionnaire (Likert scale)
- Percentage analysis
- Chi-square test
- Correlation analysis
- ANOVA
- Friedman Rank test

**Limitations**

- Limited sample size
- Responses based on employee perception
- Time constraints

**Review of Literature**

Joseph, B. & Francis, L. (2020): "Performance Appraisal Systems and Employee Retention". The study analyzes the effectiveness of performance appraisal systems. It focuses on fairness, transparency, and feedback mechanisms. The findings reveal that fair appraisal improves trust. Employees feel motivated when evaluations are unbiased. Regular feedback enhances performance. The study highlights appraisal as a retention tool. It concludes that transparent appraisal reduces turnover. The research suggests improving evaluation systems.

Ali, S. & Khan, R. (2020): "Motivation and Employee Retention". This study examines motivational factors influencing retention. It focuses on rewards, recognition, and job security. The findings show that motivated employees remain longer. Recognition improves morale and commitment. Financial and non-financial incentives matter. The study highlights motivation as a retention tool. It concludes that motivation reduces turnover. The research supports motivational HR practices.

**Data Analysis**

The main purpose of data analysis is to examine how these HR practices influence employee retention. By analyzing the data, we can identify patterns, relationships, and trends that show which HR practices help in retaining employees and reducing employee turnover.

The data is analyzed using simple statistical tools such as percentages, tables, charts, and graphs. These tools help in presenting the data in an easy-to-understand format. Through this analysis, meaningful conclusions are drawn, and suitable suggestions are provided to improve HR practices in the textile industry.

Table 4.2.1

## Adequate Career Growth Opportunities and Likelihood to Stay Due to Effective HR Policies

Adequate career growth opportunities	Likelihood to stay due to effective HR policies	Very unlikely	Unlikely	Likely	Very likely	Total
<b>Strongly Agree</b>	Count	5	10	1	2	18
	% within Adequate career growth opportunities	27.8	55.6	5.6	11.1	100
	% within Likelihood to stay due to effective HR policies	21.7	25	3.8	16.7	17.8
<b>Agree</b>	Count	6	14	9	3	32
	% within Adequate career growth opportunities	18.8	43.8	28.1	9.4	100
	% within Likelihood to stay due to effective HR policies	26.1	35	34.6	25	31.7
<b>Neutral</b>	Count	9	7	10	3	29
	% within Adequate career growth opportunities	31	24.1	34.5	10.3	100
	% within Likelihood to stay due to effective HR policies	39.1	17.5	38.5	25	28.7
<b>Disagree</b>	Count	1	7	4	2	14
	% within Adequate career growth opportunities	7.1	50	28.6	14.3	100
	% within Likelihood to stay due to effective HR policies	4.3	17.5	15.4	16.7	13.9
<b>Strongly Disagree</b>	Count	2	2	2	2	8
	% within Adequate career growth opportunities	25	25	25	25	100
	% within Likelihood to stay due to effective HR policies	8.7	5	7.7	16.7	7.9
<b>Total</b>	Count	23	40	26	12	101
	% within Adequate career growth opportunities	22.8	39.6	25.7	11.9	100
	% within Likelihood to stay due to effective HR policies	100	100	100	100	100

## Chi-Square Test for Adequate Career Growth Opportunities and Likelihood to Stay Due to Effective HR Policies

Test Statistic	Value	df	Asymptotic Significance (2- sided)
Pearson Chi-Square	11.962	12	0.449
Likelihood Ratio	13.611	12	0.326
Linear-by-Linear Association	2.143	1	0.143
N of Valid Cases	101	—	—

Source: Computed from Primary data

### INTERPRETATION

The chi-square test result shows that the Pearson Chi-Square value is 11.962 with 12 degrees of freedom and an asymptotic significance (p-value) of 0.449. Since the p-value is greater than 0.05, the null hypothesis is accepted. This indicates that there is no statistically significant relationship between adequate career growth opportunities and the likelihood to stay in the organization due to effective HR policies.

Table 4.4.1

### Descriptives: Retention Score by Age Group

Age Group	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval		Minimum	Maximum
					Lower Bound	Upper Bound		
18-20	60	2.35	0.95	0.12	2.21	2.48	1	3
21-30	36	2.40	0.57	0.09	2.28	2.51	1	3
31-40	2	3.00	0.00	0.00	2.31	3.69	3	3
Above 40	3	2.33	0.58	0.33	-0.98	5.64	2	3
Total	101	2.40	0.75	0.07	2.25	2.55	1	3

**Tests of Homogeneity of Variances: Retention Score**

Levene Statistic	df1	df2	Sig.
Based on Mean	1.843	3	97
Based on Median	1.054	3	97
Based on Trimmed Mean	1.055	3	97
Based on Median with Adjusted df	0.853	3	86.168

**ANOVA: Retention Score by Age Group**

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.157	3	0.719	2.300	0.082
Within Groups	30.322	97	0.313		
Total	32.478	100			

**Multiple Comparisons: Retention Score by Age (Tukey HSD Post-Hoc)**

Age	N	Subset 1 $\alpha=0.05$	Subset 2 $\alpha=0.05$
31-40	2	2.00	
18-20	60	2.35	2.35
21-30	36	2.44	2.44
Above 40	3	2.33	3.13
Sig.		0.638	0.155

**Source: Computed from Primary data**

**INTERPRETATION**

Table 4.3.1 shows that the One-Way ANOVA F-test for Retention Score across age groups yields  $F(3,97) = 2.300$  with a significance value (Sig.) of 0.082, based on 101 respondents. Levene's test confirms homogeneity of variances ( $p > 0.05$  across all tests). This indicates no statistically significant differences in retention intent means between age groups at  $\alpha = 0.05$  level.

## Suggestions

- **Strengthen Career Growth Programs**
- **Improve Overall HR Policies**
- **Focus on Employee Engagement Across All Age Groups**
- **Conduct Regular Employee Satisfaction Surveys**
- **Enhance Work Environment and Organizational Culture**
- **Develop Retention-Focused HR Strategy**

## Conclusion

This study examined the impact of HR practices on employee retention in the textile industry. The statistical analysis showed no significant relationship between career growth opportunities and employees' likelihood to stay. It also found no significant difference in retention levels across different age groups. These results indicate that retention is influenced by multiple factors rather than a single HR practice. Therefore, organizations should adopt a comprehensive HR approach that includes fair policies, career development, good work environment, and employee engagement. Effective overall HR strategies are essential for improving employee retention in the textile industry.

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