



## STRATEGIC HUMAN RESOURCE MANAGEMENT PRACTICES AND EMPLOYEE RETENTION

**Mr. Abhitosh Shukla (Assistant Professor)**  
Rajkumar Goel Institute of Technology  
MBA Department  
Ghaziabad

---

**DECLARATION:** I AS AN AUTHOR OF THIS PAPER /ARTICLE, HERE BY DECLARE THAT THE PAPER SUBMITTED BY ME FOR PUBLICATION IN THE JOURNAL IS COMPLETELY MY OWN GENUINE PAPER. IF ANY ISSUE REGARDING COPYRIGHT/PATENT/OTHER REAL AUTHOR ARISES, THE PUBLISHER WILL NOT BE LEGALLY RESPONSIBLE. IF ANY OF SUCH MATTERS OCCUR PUBLISHER MAY REMOVE MY CONTENT FROM THE JOURNAL WEBSITE. FOR THE REASON OF CONTENT AMENDMENT /OR ANY TECHNICAL ISSUE WITH NO VISIBILITY ON WEBSITE /UPDATES, I HAVE RESUBMITTED THIS PAPER FOR THE PUBLICATION.FOR ANY PUBLICATION MATTERS OR ANY INFORMATION INTENTIONALLY HIDDEN BY ME OR OTHERWISE, I SHALL BE LEGALLY RESPONSIBLE. (COMPLETE DECLARATION OF THE AUTHOR AT THE LAST PAGE OF THIS PAPER/ARTICLE

### ABSTRACT

*This study investigates the impact of Strategic Human Resource Management (SHRM) practices on employee retention using a quantitative analytical framework. The study employs a descriptive and classification-based methodology to assess prevalent SHRM practices, primary retention factors, employee stability classifications, and organizational SHRM effectiveness metrics within a cohort of 120 employees. The results show that Career Growth & Succession Planning is the most important SHRM practice, and Career Advancement Factors are the most important reason why employees stay with a company. The stability analysis shows that most of the workers are moderately stable, which means that the retention climate is generally steady. Also, the way SHRM effectiveness levels are spread out shows that most HR systems work at a moderate level of effectiveness, which means there are chances for strategic improvement. The study finds that HR strategies that focus on development and growth have a bigger impact on retention than financial factors. This shows how important it is for employees to develop over time and for the organization to be aligned.*

**Keywords:** *Strategic Human Resource Management, Employee Retention, Career Growth, Retention Drivers, Workforce Stability, SHRM Effectiveness.*

---

### 1. INTRODUCTION

The fast-changing business world has made companies rethink how important their employees are to their strategies. In a time when competition is fierce, technology is always getting better, and workers' expectations are always changing, human capital is becoming more and more recognized as a key source of long-term competitive advantage. In this context, Strategic Human Resource Management (SHRM) has become an important way for managers to plan

how to use human resources in a way that fits with the organization's strategy and long-term goals. Traditional human resource management focuses mostly on administrative and operational tasks. In contrast, SHRM takes a proactive, integrative, and strategically driven approach that aims to improve the effectiveness of the organization while also encouraging employee commitment and stability.

Keeping employees has become a top priority for businesses that want to keep their performance, continuity, and competitiveness. High employee turnover not only costs a lot of money to hire, pick, and train new employees, but it also hurts productivity, the culture of the workplace, and the preservation of institutional knowledge. As a result, more and more businesses see strategic HRM practices as important ways to deal with problems with keeping employees. Talent management, performance management, career development initiatives, compensation strategies, and employee engagement programs are widely recognized as significant factors influencing employees' attitudes, satisfaction, and retention intentions within the organization.

The connection between SHRM practices and keeping employees is complicated and has many parts. Strategic HR initiatives help create a supportive work environment, make people feel more supported by the company, strengthen psychological contracts, and make people happier with their jobs. When employees see HR practices as fair, open, and in line with their career goals, they are more likely to be committed to the organization and less likely to want to leave. Consequently, analyzing SHRM practices in relation to employee retention provides significant insights into how organizations can foster workforce stability and achieve enduring organizational success.

Given these factors, the current study aims to examine the impact of Strategic Human Resource Management practices on employee retention, focusing on elucidating the mechanisms by which strategic HR interventions enhance workforce stability and organizational efficacy.

### **1.1.Objectives of the Study**

The present study is guided by the following objectives:

- To analyse dominant SHRM practices within the organization

- To classify key retention drivers influencing employee stability
- To examine workforce stability categories
- To evaluate SHRM effectiveness levels

## **1.2.Strategic HRM as a Driver of Employee Retention**

Strategic Human Resource Management (SHRM) is widely acknowledged as an essential organizational function that transcends mere administrative personnel management to serve as a strategic catalyst for employee and organizational outcomes. SHRM creates a consistent framework for organizations to change how employees think, act, and perform by systematically aligning human resource policies with larger business goals. This strategic alignment makes sure that HR practices aren't done in a vacuum, but are instead linked to the goals of the organization. This makes both individuals and the organization more effective and sustainable.

Structured career development programs, competency-based training programs, performance-linked reward systems, and participative management mechanisms are all examples of SHRM-driven practices that have a big impact on how employees feel about the company. Career development and succession planning give employees clear paths for growth, which gives them a sense of purpose, motivation, and long-term commitment. Training and skill-building programs that happen all the time also make employees more capable, make them feel like their company is more supportive, and boost their confidence in their jobs. When they are planned carefully, performance-based rewards encourage good behaviour, support meritocracy, and make people feel like they are being treated fairly and equitably.

Additionally, SHRM plays a big role in getting employees involved by creating a welcoming and supportive workplace. Participative management systems give employees more power by letting them help make decisions. This builds trust, independence, and a sense of belonging to the organization. A strategically developed organizational culture strengthens shared values, collaboration, and mutual respect, all of which lead to better relationships between people and a happier workplace.

All of these SHRM practices together lead to good changes in people's attitudes, like more job satisfaction, more commitment to the organization, and stronger emotional ties. These

psychological states are strongly linked to lower turnover intentions and better employee retention. Employees who see chances for growth, recognition, and support are more likely to be loyal, put in extra effort, and stay with the company for a long time.

In a larger organizational context, good SHRM systems help keep the workforce stable and give the company a long-term competitive edge. Organizations can save money on turnover, keep institutional knowledge, and keep operations running smoothly by keeping skilled and dedicated employees. As a result, SHRM becomes a strategic tool that improves both employee well-being and the effectiveness of the organization, which shows how important it is to modern management.

## 2. REVIEW OF LITERATURE

**Castro et al. (2020)** conducted an extensive evaluation of national scientific output regarding the execution of Strategic Human Resource Management practices. Their research underscored that SHRM practices were progressively acknowledged as vital instruments for synchronizing human resource policies with organizational strategy. The authors pointed out new areas of research, saying that the success of SHRM depended on the context, structure, and behaviour of organizations.

**Mello (2015)** established a fundamental comprehension of Strategic Human Resource Management by framing HRM as a strategic ally rather than merely an administrative role. The research emphasized that SHRM practices were intended to improve organizational performance via systematic workforce planning, talent development, and performance management. Mello contended that the strategic integration of HR functions enhanced long-term organizational success by promoting employee commitment and stability.

**Delery and Roumpi (2017)** looked at how the relationship between Strategic Human Resource Management, human capital, and competitive advantage has changed over time. Their analysis indicated that SHRM practices were crucial in cultivating and utilizing human capital as a means of achieving enduring organizational advantage. The authors noted that SHRM had become more focused on figuring out how HR systems affected how employees acted, thought, and did their jobs. Their research substantiated the premise that strategic HR configurations directly influence organizational effectiveness.

**Albrecht et al. (2015)** examined the correlation among employee engagement, human resource management practices, and competitive advantage. Their research demonstrated that HRM practices substantially impacted employee engagement levels, which in turn influenced organizational performance. The authors stressed that HR strategies that help employees, such as chances for growth and good work environments, led to higher engagement and better employee outcomes. Their findings indicated that engagement served as a mediating mechanism connecting HR practices to organizational success.

### **3. RESEARCH METHODOLOGY**

Strategic Human Resource Management (SHRM) is very important for making organizations work well and keeping their employees stable. To understand how HR practices and employee retention are related, you need a systematic methodological framework. This part talks about the study's research design, data sources, sampling strategy, variables, and analytical tools. The methodology has been meticulously designed to guarantee objectivity, analytical precision, and alignment with the quantitative classification-based framework utilized in this study.

#### **3.1. Research Design**

The current study employs a descriptive and analytical research design. This design is suitable as the research aims to analyse, categorize, and interpret Strategic Human Resource Management practices and their correlation with employee retention, independent of perception-based survey responses.

The analytical approach facilitates the systematic classification of HR practices, retention determinants, employee stability metrics, and the efficacy of strategic human resource management (SHRM).

#### **3.2. Sample Size**

The current study's sample size consisted of 120 employees. The chosen sample consisted of employees categorized by diverse Strategic Human Resource Management (SHRM) practice dimensions and retention-related factors. This sample structure made sure that different parts of the workforce that were important to the study's analytical goals were well represented.



### **3.3.Sampling Technique**

The study utilized a purposive sampling method. Employees were chosen based on the availability of organizational Human Resource data, representation across designated SHRM practice categories, and the inclusion of diverse employee stability profiles. This sampling method was deemed suitable for classification-based analytical research, wherein structured organizational data constituted the foundation for evaluation.

### **3.4.Data Classification Framework**

The gathered organizational data were systematically categorized into structured groups to enable methodical analysis. These classifications encompassed Dominant SHRM Practices, Retention Drivers, Employee Stability Categories, and SHRM Effectiveness Levels. The classification framework made it easier to organize and understand workforce-related variables in a clear analytical structure.

### **3.5.Method of Data Analysis**

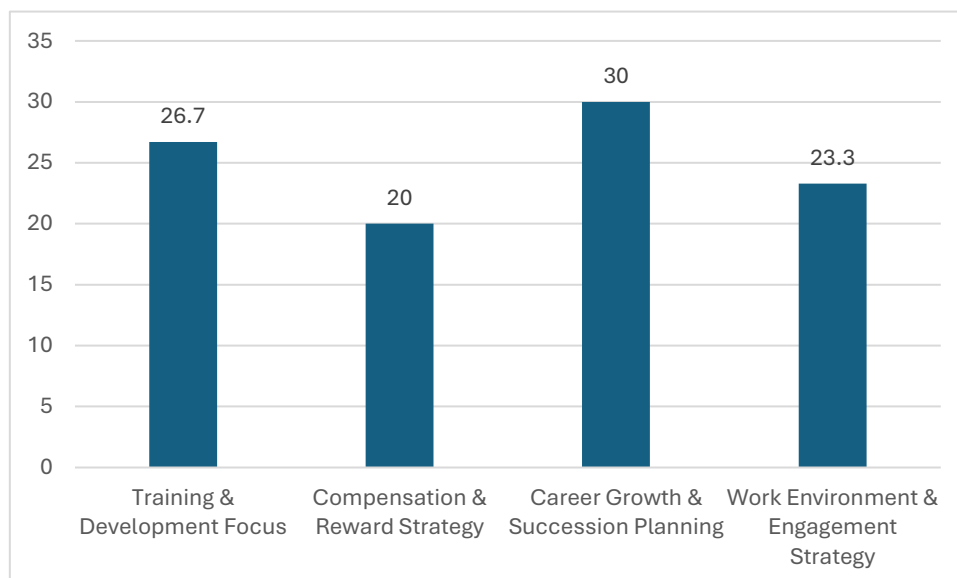
The process of analyzing the data was systematic and organized. At first, the organizational data were carefully sorted into analytical categories that had already been set up. The classified data were then put into tables using frequency distributions and turned into percentages to make them easier to understand. Lastly, a comparative analytical interpretation was done to find patterns, trends, and connections that are important to Strategic Human Resource Management practices and how well employees stay with the company.

## **4. DATA ANALYSIS**

This study analytically investigates Strategic Human Resource Management (SHRM) practices that affect employee retention. The analysis is organized using categorical distributions that show how HR practices are used in organizations.

**Table 1:** Distribution Based on Dominant SHRM Practices

SHRM Practice	Frequency	Percentage (%)
Training & Development Focus	32	26.7
Compensation & Reward Strategy	24	20.0
Career Growth & Succession Planning	36	30.0
Work Environment & Engagement Strategy	28	23.3
<b>Total</b>	<b>120</b>	<b>100</b>



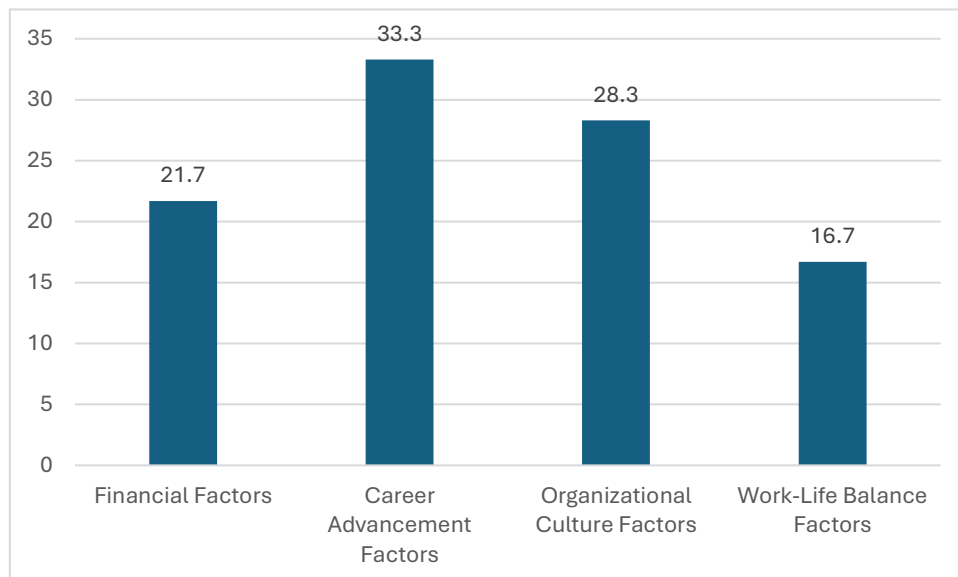
**Figure 1:** Graphical presentation of percentage of Distribution Based on Dominant SHRM Practices

Table 1 shows how the most common Strategic Human Resource Management practices in the company are spread out. The data show that Career Growth & Succession Planning (30.0%) is the most important SHRM practice. This suggests that the company cares a lot about long-term strategies for employee development and advancement. Training and Development Focus (26.7%) is the second most important practice, showing how important it is to keep improving skills. Work Environment & Engagement Strategy (23.3%) shows a moderate presence, which means that the company is paying equal attention to both employee engagement and the

conditions of the workplace. On the other hand, Compensation & Reward Strategy (20.0%) has the lowest percentage, which suggests that financial incentives may not be the main strategic approach. Overall, the distribution shows that the organization is more focused on HR practices that help employees grow and advance in their careers.

**Table 2:** Classification of Retention Drivers

Retention Driver	Frequency	Percentage (%)
Financial Factors	26	21.7
Career Advancement Factors	40	33.3
Organizational Culture Factors	34	28.3
Work-Life Balance Factors	20	16.7
<b>Total</b>	<b>120</b>	<b>100</b>



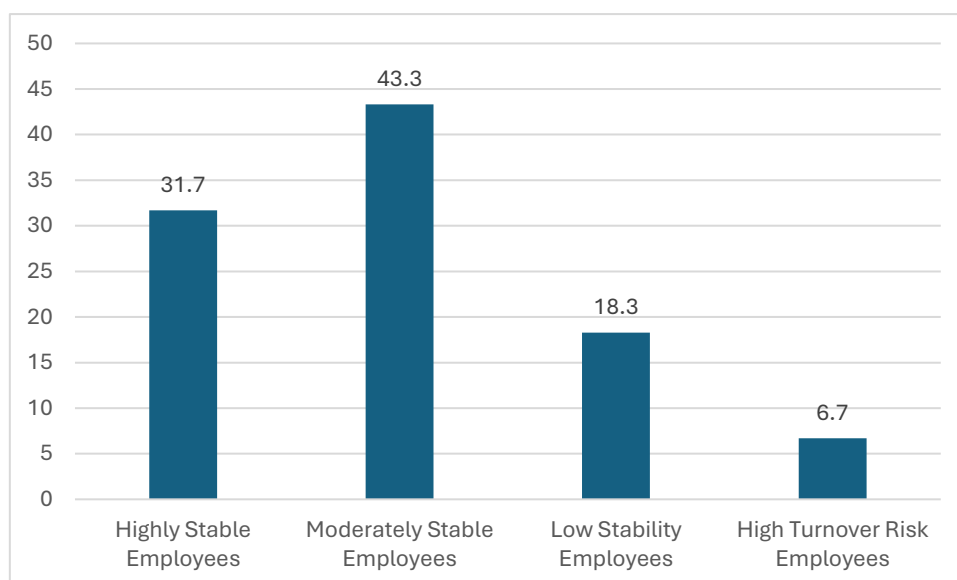
**Figure 2:** Graphical presentation of percentage of Classification of Retention Drivers

Table 2 shows how to group the main factors that keep employees stable. The analysis shows that Career Advancement Factors (33.3%) are the most important factor for keeping employees, which means that employees are more likely to stay with the company if they see opportunities for growth and career advancement. Organizational Culture Factors (28.3%) are the second

most important driver. This shows how important the workplace environment and the values of the organization are. Financial Factors (21.7%), while pertinent, exhibit a relatively diminished influence, indicating that monetary considerations assume a secondary role. The Work-Life Balance Factors (16.7%) have the lowest percentage, which means they don't have much of an effect on the current classification. The findings indicate that retention dynamics are predominantly influenced by developmental and organizational factors rather than financial incentives.

**Table 3:** Distribution of Employee Stability Categories

Stability Category	Frequency	Percentage (%)
Highly Stable Employees	38	31.7
Moderately Stable Employees	52	43.3
Low Stability Employees	22	18.3
High Turnover Risk Employees	8	6.7
<b>Total</b>	<b>120</b>	<b>100</b>

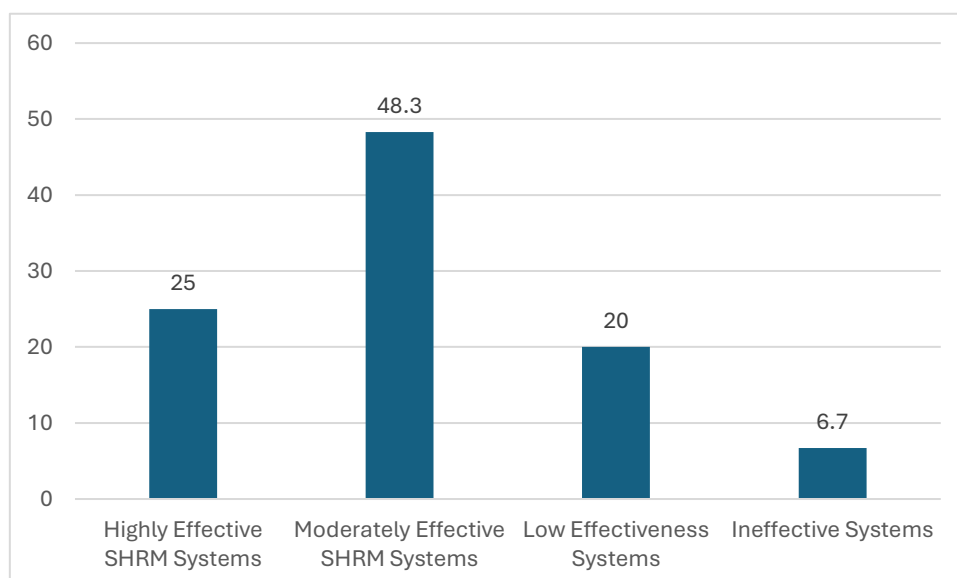


**Figure 3:** Graphical presentation of percentage of Distribution of Employee Stability Categories

Table 3 shows how employees are spread out across different stability categories. The data show that most employees (43.3%) fall into the Moderately Stable category, which means that the workforce is fairly stable and retention is not too difficult. A large number of employees (31.7%) are classified as Highly Stable, which means that a large part of the workforce is very attached to the organization. Low Stability Employees (18.3%) make up a significant minority, which could be a sign of areas where retention is a problem. The High Turnover Risk category (6.7%) is not very big, but it does show that there are employees who may need targeted strategic help. Overall, the distribution shows that the workforce is generally stable, but it also shows that retention mechanisms need to be stronger for groups of employees who are more likely to leave.

**Table 4:** Organizational SHRM Effectiveness Levels

Effectiveness Level	Frequency	Percentage (%)
Highly Effective SHRM Systems	30	25.0
Moderately Effective SHRM Systems	58	48.3
Low Effectiveness Systems	24	20.0
Ineffective Systems	8	6.7
<b>Total</b>	<b>120</b>	<b>100</b>



**Figure 4:** Graphical presentation of percentage of Organizational SHRM Effectiveness Levels

Table 4 shows how to group Organizational SHRM Effectiveness Levels. The results show that Moderately Effective SHRM Systems (48.3%) make up the majority of the distribution. This means that HR strategies are working well but may not be fully optimized. Highly Effective SHRM Systems (25.0%) show that there are strong and strategically aligned HR frameworks in some parts of the business. But Low Effectiveness Systems (20.0%) and Ineffective Systems (6.7%) make up a large part of the total, which shows where strategic HR alignment and policy execution could be better. Overall, the results show that SHRM practices are good for business, but there are still a lot of ways to improve strategic integration and organizational efficiency.

## 5. CONCLUSION

The examination of Strategic Human Resource Management practices and employee retention indicates that developmental and growth-oriented HR strategies are crucial in promoting workforce stability. The results show that Career Growth & Succession Planning is the most important SHRM practice, and that Career Advancement Factors are the most important reason for keeping employees, which shows how important long-term professional development is. The distribution of employee stability categories further indicates that the workforce is predominantly moderate to highly stable, demonstrating the beneficial impact of structured HR interventions. The fact that most SHRM systems are only moderately effective shows that current HR strategies do help with retention, but there is still a lot of room for improvement and optimization. The study finds that companies that put career growth, skill development, and supportive work environments first are more likely to keep employees and be effective over the long term.

## REFERENCES

1. Albrecht, S. L., Bakker, A. B., Gruman, J. A., Macey, W. H., & Saks, A. M. (2015). *Employee engagement, human resource management practices and competitive advantage: An integrated approach. Journal of organizational effectiveness: People and performance, 2(1), 7-35.*
2. Anwar, G., & Abdullah, N. N. (2021). *The impact of Human resource management practice on Organizational performance. International journal of Engineering, Business and Management (IJEEM), 5.*
3. Armstrong, M., & Taylor, S. (2023). *Armstrong's handbook of human resource management practice: A guide to the theory and practice of people management. Kogan Page Publishers.*
4. Boon, C., Den Hartog, D. N., & Lepak, D. P. (2019). *A systematic review of human resource management systems and their measurement. Journal of management, 45(6), 2498-2537.*
5. Bratton, J., Gold, J., Bratton, A., & Steele, L. (2021). *Human resource management. Bloomsbury Publishing.*
6. Castro, M. V. D. M., de Araújo, M. L., Ribeiro, A. M., Demo, G., & Meneses, P. P. M. (2020). *Implementation of strategic human resource management practices: a review of the national scientific production and new research paths. Revista de Gestão, 27(3), 229-246.*
7. Cloutier, O., Felusiak, L., Hill, C., & Pemberton-Jones, E. J. (2015). *The importance of developing strategies for employee retention. Journal of Leadership, Accountability & Ethics, 12(2).*
8. Delery, J. E., & Roumpi, D. (2017). *Strategic human resource management, human capital and competitive advantage: is the field going in circles?. Human resource management journal, 27(1), 1-21.*
9. Kamalaveni, M., Ramesh, S., & Vetrivel, T. (2019). *A review of literature on employee retention. International Journal of Innovative Research in Management Studies (IJIRMS), 4(4), 1-10.*
10. Khalid, K., & Nawab, S. (2018). *Employee participation and employee retention in view of compensation. Sage Open, 8(4), 2158244018810067.*



11. Kossivi, B., Xu, M., & Kalgora, B. (2016). *Study on determining factors of employee retention.*
12. Mello, J. A. (2015). *Strategic human resource management. Cengage learning.*
13. Shakeel, N., & But, S. (2015). *Factors influencing employee retention: An integrated perspective. Journal of Resources development and Management, 6(1), 32-49.*
14. Sparrow, P., Brewster, C., & Chung, C. (2016). *Globalizing human resource management. Routledge.*
15. Tang, G., Chen, Y., Jiang, Y., Paillé, P., & Jia, J. (2018). *Green human resource management practices: scale development and validity. Asia pacific journal of human resources, 56(1), 31-55.*

#### **AUTHOR'S DECLARATION**

As an author of the above research paper/article, here by, declare that the content of this paper is prepared by me and if any person having copyright issue or patent or anything otherwise related to the content, I shall always be legally responsible for any issue. For the reason of invisibility of my research paper on the website /amendments /updates, I have resubmitted my paper for publication on the same date. If any data or information given by me is not correct, I shall always be legally responsible. With my whole responsibility legally and formally have intimated the publisher (Publisher) that my paper has been checked by my guide (if any) or expert to make it sure that paper is technically right and there is no unaccepted plagiarism and hentriacontane is genuinely mine. If any issue arises related to Plagiarism/ Guide Name/ Educational Qualification /Designation /Address of my university/ college/institution/ Structure or Formatting/ Resubmission /Submission /Copyright /Patent /Submission for any higher degree or Job/Primary Data/Secondary Data Issues. I will be solely/entirely responsible for any legal issues. I have been informed that the most of the data from the website is invisible, shuffled, or vanished from the database due to some technical fault or hacking and therefore the process of resubmission is there for the scholars/students who find trouble in getting their paper on the website. At the time of resubmission of my paper I take all the legal and formal responsibilities, If I hide or do not submit the copy of my original documents (Andhra/Driving License/Any Identity Proof and Photo) in spite of demand from the publisher, then my paper may be rejected or removed from the website anytime and may not be consider for verification. I accept the fact that as the content of this paper and the resubmission legal responsibilities and reasons are only mine then the Publisher (Airo International Journal/Airo National Research Journal) is never responsible. I also declare that if publisher finds any complication or error or anything hidden or implemented otherwise, my paper may be removed from the website, or the watermark of remark/actuality may be mentioned on my paper. Even if anything is found illegal publisher may also take legal action against me.

**Mr. Abhitosh Shukla (Assistant Professor)**

\*\*\*\*\*