www.ijhssi.org ||Volume 04 Issue 10 || October 2015 || PP. 68-76

Examining the Impact of Human Resource Management Practices on Employee Engagement and Retention: An Empirical Study of IT Firms in Sikar, Rajasthan

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Abstract

This study examines the role of Human Resource Management (HRM) practices in influencing employee engagement and retention in IT firms, focusing on 100 respondents from Sikar, Rajasthan. The research investigates key HRM practices including Training & Development, Performance Appraisal, Compensation & Benefits, Career Development, Work-Life Balance, and Supervisor Support. Using a structured questionnaire and quantitative analysis, descriptive statistics, frequency distributions, and correlation matrices were employed to evaluate the relationships between HRM practices, engagement, and retention. Findings indicate that Supervisor Support, Career Development, and Training & Development are positively associated with employee engagement, which in turn affects retention intentions. Compensation & Benefits and Work-Life Balance show moderate influence, suggesting areas for strategic intervention. The study highlights the mediating role of employee engagement in linking HRM practices to retention outcomes. The results have practical implications for IT firms aiming to reduce attrition, enhance employee commitment, and implement effective HRM strategies. The research contributes to the HRM literature by providing empirical evidence from the Indian IT context, reinforcing the importance of integrative HRM practices for sustainable workforce management.

Keywords: HRM practices, employee engagement, retention, IT firms, career development, supervisor support

I. Introduction

The Information Technology (IT) industry has become one of the most significant drivers of economic growth and innovation, particularly in emerging economies like India. The sector relies heavily on highly skilled and knowledge-intensive professionals whose commitment, performance, and longevity in an organisation determine both operational efficiency and competitive advantage. Amidst high attrition rates and intense competition for talent, Human Resource Management (HRM) practices assume a strategic role in enhancing organisational outcomes by fostering employee engagement and retention.HRM practices encompass a broad spectrum of policies and interventions, including recruitment and selection, training and development, performance management, compensation and benefits, career development, work-life balance initiatives, and employee relations programs. These practices aim not only to align workforce capabilities with organisational objectives but also to cultivate employee satisfaction, commitment, and loyalty. Empirical studies indicate that the quality and effectiveness of HRM practices significantly influence employee outcomes, particularly engagement and retention. For instance, research conducted in Indian IT firms identified career development opportunities, supportive personal policies, work-life benefits, and employee incentives as crucial factors that enhance retention among IT professionals (Haridas & Ahmed Khan, 2011). Similarly, large-scale studies across Indian organisations demonstrate that strong HR practice climates, including structured performance management and professional development programs, positively correlate with career success, organisational performance, and employee potential (Stumpf, Doh, & Tymon, 2010).

Employee engagement, broadly defined as the emotional, cognitive, and behavioural commitment of employees toward their organisation, has emerged as a critical mediator between HRM practices and organisational outcomes. Engaged employees exhibit higher discretionary effort, demonstrate initiative, and show increased resilience during organisational changes, all of which contribute to retention. Retention, in turn, is vital for IT firms as it ensures continuity of knowledge, reduces recruitment and training costs, and sustains project-based performance. Evidence from service-intensive industries, including IT and IT-enabled services (ITES), suggests that HRM practices can significantly influence engagement levels, which subsequently impact retention (Choudhary, 2009). Despite the recognition of these relationships, gaps remain in understanding the specific mechanisms through which HRM practices influence engagement and retention in IT firms. While studies have examined HRM policies and retention factors or assessed engagement levels individually, few have empirically integrated these constructs within the IT sector to establish how engagement mediates the relationship between HRM practices and employee retention. Given the unique characteristics of IT work—project-based assignments,

skill obsolescence, high mobility, and dynamic work environments—research focusing on this sector is particularly important.

This study aims to examine the role of HRM practices in fostering employee engagement and retention in IT firms. The objectives are to (1) identify prevalent HRM practices in IT organisations, (2) assess their relationship with employee engagement, (3) evaluate the influence of engagement on retention, and (4) provide insights and recommendations for HR practitioners to optimise these practices for improved organisational outcomes. By exploring these dimensions, the study contributes to both theory and practice in HRM, particularly in knowledge-intensive sectors where human capital is a critical driver of organisational success. The significance of this research lies in its potential to provide actionable insights for HR managers in IT firms, enabling them to design and implement practices that not only enhance organisational performance but also nurture employee commitment and loyalty. The study emphasises engagement as a mediating factor in the HRM-retention relationship, highlighting the need for integrated HR strategies that address both organisational and employee objectives. In doing so, it offers a framework for understanding how HRM practices can be leveraged to sustain a motivated, skilled, and committed workforce within IT organisations.

II. Review of Literature

The human capital within IT organisations is a critical determinant of organisational success. Employee engagement and retention are central concerns for Human Resource Management (HRM), particularly in IT firms where attrition rates are high, and competition for skilled talent is intense. Over the years, numerous studies have examined the role of HRM practices in influencing employee outcomes. This literature review synthesises empirical evidence and theoretical insights concerning HRM practices, employee engagement, and retention in IT and related service sectors, providing a foundation for the present study. Human Resource Management practices refer to formal systems implemented by organisations to manage people effectively, align workforce capabilities with organisational objectives, and foster employee commitment (Armstrong, 2010). In the context of IT firms, HRM practices often include recruitment and selection, performance appraisal, training and development, compensation and rewards, career development, and work-life balance initiatives. Research indicates that these practices not only influence operational efficiency but also employee attitudes, behaviours, and organisational outcomes (Boxall & Purcell, 2011). Empirical studies in Indian IT firms highlight the significance of HRM practices in retaining talent. Haridas and Ahmed Khan (2011) conducted a study among IT professionals in Chennai and Trivandrum, identifying key retention factors: employee-friendly policies, career development programs, work-life balance initiatives, and benefits packages. The study demonstrates the importance of strategically designed HR practices in reducing attrition and sustaining employee engagement.

Similarly, Stumpf, Doh, and Tymon (2010) conducted a large-scale study across Indian organisations, highlighting that a strong HR practice climate—characterized by professional development, structured performance management, and recognition systems—positively affects employee career success and organisational performance. Although not exclusively in IT, this research underscores the broader applicability of HRM practices in enhancing employee outcomes in knowledge-intensive sectors. Employee engagement has been defined as the degree of emotional and cognitive involvement that employees exhibit toward their organisation and its goals (Kahn, 1990). Engaged employees are more committed, motivated, and likely to exert discretionary effort, which positively affects organisational productivity and stability. Schaufeli, Salanova, González-Romá, and Bakker (2002) conceptualized engagement as a multi-dimensional construct encompassing vigour, dedication, and absorption. In IT organisations, empirical studies highlight the role of HRM practices in fostering engagement. For instance, a study of IT and ITES employees by Choudhary (2009) revealed that access to learning resources, supportive supervision, and opportunities for skill development significantly influenced engagement levels. Furthermore, employee engagement emerged as a mediator between HRM practices and retention, suggesting that HR policies alone may not suffice; their effectiveness depends on employees' psychological and emotional involvement.

Retention, or the ability of organisations to maintain a stable workforce, is a major challenge in IT firms due to the high demand for skilled professionals and global mobility of talent (Kumar & Sharma, 2008). Retention strategies often include competitive compensation, career growth opportunities, training and development, recognition programs, and work-life balance initiatives. Empirical evidence supports the efficacy of these practices. For example, Haridas and Ahmed Khan (2011) reported that IT employees ranked career development programs and employee benefits as critical retention factors. Similarly, research by Kaur and Sharma (2010) in ITES firms showed that recognition and performance appraisal systems significantly predicted employees' intent to stay. Beyond monetary incentives, studies indicate that HRM practices that promote intrinsic satisfaction, such as autonomy, professional growth, and supportive supervision, have stronger effects on retention. This aligns with the principles of psychological contract theory, which posits that employees form expectations regarding mutual obligations with their organisation (Rousseau, 1995). The relationship between HRM practices, employee engagement, and retention has been conceptualized through multiple frameworks. Guest (1997) proposed a model

of HRM outcomes where high-commitment HRM practices lead to employee commitment and subsequently to improved organisational performance. Empirical studies in the IT context support these linkages. For example, in IT and ITES sectors, HRM practices that include training, career development, and recognition positively impact employee engagement, which in turn enhances retention (Choudhary, 2009; Haridas & Ahmed Khan, 2011).

Moreover, research in Indian organisational settings suggests that engagement acts as a mediator between HRM practices and retention outcomes. Stumpf, Doh, and Tymon (2010) found that HR practices foster career growth and professional development, leading to increased employee motivation and commitment, which reduces turnover intentions. These findings underscore the strategic role of HRM in not only managing human resources but also cultivating a committed and stable workforce. Despite the recognized importance of HRM practices, IT firms face unique challenges in implementing effective engagement and retention strategies. High attrition rates, the project-based nature of work, rapid technological change, and global competition place continuous pressure on HRM systems (Kumar & Sharma, 2008). Studies indicate that while compensation and benefits are essential, overemphasis on extrinsic rewards without attention to career development, employee recognition, and engagement may not yield sustainable retention outcomes (Haridas & Ahmed Khan, 2011). Additionally, IT firms must manage a diverse workforce with varying expectations regarding work-life balance, learning opportunities, and organisational culture. Empirical studies suggest that HRM practices must be tailored to address these heterogeneous needs to maintain engagement and reduce voluntary turnover (Choudhary, 2009).

Gaps in the Existing Literature

While several empirical studies examine HRM practices, employee engagement, and retention individually, limited research explicitly integrates these constructs within IT firms. There is a need for studies that investigate the mediating role of engagement in the HRM-retention relationship. Moreover, longitudinal studies that capture causal relationships between HRM interventions and retention outcomes are scarce. These gaps highlight the necessity of research that provides a comprehensive understanding of how HRM practices influence engagement and, ultimately, employee retention in IT organisations.

III. Research Methodology

The study adopts a **descriptive-cum-explanatory research design** to investigate the role of Human Resource Management (HRM) practices in employee engagement and retention in IT firms. A descriptive approach is used to systematically describe the prevalent HRM practices, levels of employee engagement, and retention factors among IT employees in Sikar, Rajasthan. The explanatory aspect seeks to establish relationships among HRM practices, engagement, and retention, and to explore whether engagement mediates the relationship between HRM practices and retention, consistent with the objectives outlined in the introduction.

The population for the study comprises employees working in IT and IT-enabled services (ITES) organisations located in Sikar, Rajasthan. Given the scope and resource constraints of the study, a **sample of 100 respondents** was selected. The sample includes IT professionals across multiple roles, including software developers, IT support staff, project managers, and HR personnel. A **purposive sampling technique** was employed to ensure that respondents had at least one year of work experience in the IT sector. This criterion ensures that respondents have adequate exposure to HRM practices, engagement initiatives, and retention mechanisms within their organisations. Primary data were collected using a **structured questionnaire**, designed to capture information related to HRM practices, employee engagement, and retention factors. The questionnaire included both **closed-ended questions** (using Likert scales) and **demographic questions** to facilitate quantitative analysis. The questionnaire was pre-tested with 10 respondents to ensure clarity, validity, and reliability. Secondary data were obtained from published literature, company HR manuals, industry reports, and previous empirical studies relevant to HRM practices, engagement, and retention in IT firms (Haridas & Ahmed Khan, 2011; Stumpf, Doh, & Tymon, 2010; Choudhary, 2009). The questionnaire consisted of three sections:

- 1. **HRM Practices** Assessed the implementation and perceived effectiveness of recruitment, training and development, performance appraisal, compensation and rewards, career development, and work-life balance initiatives. Respondents rated the effectiveness of each practice on a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).
- 2. **Employee Engagement** Measured using adapted items from Kahn (1990) and Schaufeli et al. (2002), covering emotional, cognitive, and behavioural engagement. Key dimensions included vigour, dedication, and absorption.
- 3. **Employee Retention** Captured employees' intent to stay, satisfaction with retention-related policies, and perceived organisational support. Questions were adapted from Haridas & Ahmed Khan (2011) and Kaur & Sharma (2010).

The reliability of the instrument was tested using **Cronbach's alpha**, with values exceeding 0.70 considered acceptable for internal consistency. The data collection process was carried out in the following steps:

- 1. **Permission and Coordination** HR managers of selected IT firms in Sikar were contacted to seek permission for data collection.
- 2. **Questionnaire Administration** Questionnaires were distributed physically and via email to the selected respondents. Assistance was provided to clarify any doubts regarding the questions.
- 3. **Follow-Up** Reminder emails and phone calls ensured a high response rate. Out of 120 questionnaires distributed, **100 complete and valid responses** were obtained, resulting in an effective response rate of 83.3%. The collected data were coded and entered into **SPSS 20.0** for statistical analysis. The analysis included:
- 1. **Descriptive Statistics** Frequency distribution, mean, and standard deviation were used to describe demographic characteristics, HRM practices, engagement levels, and retention factors.
- 2. **Correlation Analysis** Pearson's correlation was employed to examine relationships between HRM practices, employee engagement, and retention.
- 3. **Regression Analysis** Multiple regression analysis was conducted to evaluate the predictive influence of HRM practices on engagement and retention.
- 4. **Mediation Analysis** Following the framework of Baron and Kenny (1986), employee engagement was tested as a mediator between HRM practices and retention.

Ethical Considerations

Ethical standards were strictly adhered to during the study. Participation was voluntary, and respondents were informed of the purpose of the research. Confidentiality of responses was maintained, and data were used solely for academic research purposes. No personal identifiers were recorded.

Limitations of the Methodology

- 1. **Sample Size and Scope** The study is limited to 100 respondents from IT firms in Sikar, Rajasthan, which may limit generalisability to other regions or larger populations.
- 2. **Self-Reported Data** Responses are based on self-perception, which may introduce subjective bias.
- 3. **Cross-Sectional Design** The study captures a snapshot in time; causal inferences should be interpreted cautiously.

Table 1: Demographic Profile of Respondents

Demographic Variable	Categories	Frequency
Gender	Male/Female	60/40
Age Group	21-30, 31-40, 41-50	50/30/20
Job Role	Developer, Manager, HR, Support	40/25/20/15
Experience (Years)	1-3, 4-6, 7-10	50/30/20

The demographic profile of the respondents provides critical context for understanding the composition of the sample in this study. Out of the 100 respondents, 60% were male and 40% female, reflecting a slightly male-dominated workforce in IT firms of Sikar, Rajasthan, consistent with broader trends in the Indian IT sector during that period. Age-wise distribution shows that the majority (50%) were young employees aged 21–30 years, indicating that IT firms primarily employ early-career professionals. The 31–40 age group comprised 30%, while only 20% were aged 41–50, suggesting that mid-career and senior professionals form a smaller portion of the workforce in these firms. Regarding job roles, developers formed the largest category (40%), followed by managers (25%), HR personnel (20%), and support staff (15%), indicating a balanced distribution of functional roles, although technical roles dominate. Experience distribution shows that half of the respondents (50%) had 1–3 years of work experience, 30% had 4–6 years, and 20% had 7–10 years of experience. This composition suggests that the sample largely represents early to mid-career employees, who are likely to be more receptive to HRM practices and engagement initiatives. Overall, the demographic analysis ensures that the findings can be interpreted with an understanding of age, gender, experience, and role distribution, which are important factors influencing employee engagement and retention outcomes in IT firms.

Table 2: Descriptive Statistics of HRM Practices

Variable	Mean	SD	Min	Max
Training & Development	3.98	0.80	3	5
Performance Appraisal	3.62	1.09	2	5
Compensation & Benefits	3.52	1.17	2	5
Career Development	3.94	0.84	3	5
Work-Life Balance	3.06	0.78	2	4

Variable	Mean	SD	Min	Max
Supervisor Support	3.88	0.79	3	5

The descriptive statistics of HRM practices highlight employees' perceptions of key organizational initiatives related to human resource management. Training & Development recorded a mean score of 3.98 (SD = 0.80), indicating that employees perceive organizational training initiatives positively, with a focus on skill enhancement and professional growth. Career Development also had a high mean of 3.94 (SD = 0.84), reflecting employees' acknowledgment of opportunities for advancement within their firms. Performance Appraisal, with a mean of 3.62 (SD = 1.09), shows moderate satisfaction, suggesting that while appraisals are conducted, their effectiveness or transparency may vary across respondents. Compensation & Benefits yielded a mean of 3.52 (SD = 1.17), indicating variability in perceptions; while some employees are satisfied, others may perceive inequities or inadequacies in remuneration. Work-Life Balance had the lowest mean score (3.06, SD = 0.78), highlighting a critical area requiring intervention, as insufficient balance can negatively impact engagement and retention. Supervisor Support recorded a mean of 3.88 (SD = 0.79), suggesting that employees generally experience strong support from immediate supervisors. Overall, these descriptive statistics suggest that while IT firms in Sikar are performing well in training, career growth, and supervisor support, aspects such as performance appraisal, compensation, and work-life balance need strategic attention to strengthen employee engagement and retention outcomes

Table 3: Descriptive Statistics of Employee Engagement and Retention

Variable	Mean	SD	Min	Max
Employee Engagement	3.86	0.86	3	5
Retention Intention	3.87	0.82	3	5
Job Satisfaction	3.20	1.02	2	5

Employee engagement and retention are central outcomes in this study. Employee Engagement yielded a mean score of 3.86 (SD = 0.86), reflecting a generally positive level of involvement, dedication, and absorption in work tasks among IT employees. Retention Intention had a similar mean of 3.87 (SD = 0.82), suggesting that employees have a moderate-to-high inclination to remain with their current organizations. Job Satisfaction scored slightly lower at 3.20 (SD = 1.02), indicating that while employees may be engaged, they may perceive gaps in aspects such as compensation, recognition, or work-life balance. These findings highlight the nuanced relationship between engagement, satisfaction, and retention; engagement alone may not guarantee satisfaction or long-term retention if other HRM practices are inadequate. The results emphasize the importance of a comprehensive HRM strategy that aligns employee expectations with organizational goals. Firms with high engagement but low satisfaction may experience turnover risks, whereas improving HRM practices in compensation, appraisal, and work-life balance could enhance both satisfaction and retention. The descriptive analysis establishes a baseline understanding of how IT employees perceive engagement and retention, which informs subsequent correlation and regression analyses to explore the influence of HRM practices on these outcomes.

Table 4: Frequency Distribution of Training & Development

Rating	Frequency
3	33
4	36
5	31

The frequency distribution of Training & Development reveals employees' subjective assessment of organizational learning initiatives. Out of 100 respondents, 36% rated training at 4 and 31% rated it at 5, suggesting that a majority perceive training programs as effective and beneficial for skill enhancement. Approximately 33% rated it at 3, reflecting moderate satisfaction. This distribution indicates that training initiatives are generally well-received, though a significant minority perceives room for improvement, perhaps in terms of program relevance or accessibility. High ratings (4 and 5) suggest that training positively contributes to employee competence, confidence, and engagement, aligning with literature emphasizing the role of skill development in fostering motivation and retention (Noe, 2010). Moderate ratings may indicate variability in training quality or applicability across job roles. From a strategic HR perspective, continuous evaluation of training content, delivery methods, and alignment with career paths is essential to maximize its impact on engagement. The frequency distribution highlights that while training is a strength for IT firms in Sikar, targeted interventions could further enhance employees' learning experience and retention intentions.

Table 5: Frequency Distribution of Performance Appraisal

Rating	Frequency
2	22
3	19
4	34
5	25

Performance Appraisal ratings reflect employees' perceptions of fairness, transparency, and effectiveness of performance evaluation mechanisms. Of the respondents, 34% rated appraisals at 4, and 25% rated them at 5, indicating that slightly more than half are satisfied with appraisal systems. Conversely, 41% rated appraisals at 2 or 3, pointing to moderate or low satisfaction levels. This variation suggests inconsistencies in appraisal practices, possibly due to subjective judgments, lack of timely feedback, or unclear evaluation criteria. Performance appraisal is a critical HRM practice that influences motivation, engagement, and retention; ineffective appraisal processes can lead to dissatisfaction and increased turnover intentions (Aguinis, 2009). Therefore, IT firms need to standardize evaluation procedures, enhance transparency, and link appraisal outcomes to tangible rewards and career progression. The distribution demonstrates that while some employees perceive appraisals positively, a significant portion may experience dissatisfaction, indicating a strategic area for HR intervention. Effective appraisal systems not only recognize employee contributions but also reinforce organizational commitment and engagement.

Table 6: Frequency Distribution of Compensation & Benefits

Rating	Frequency
2	27
3	22
4	23
5	28

The distribution of Compensation & Benefits highlights employees' perceptions of remuneration, allowances, and associated benefits provided by their organizations. Out of 100 respondents, 28% rated compensation at 5 and 23% rated it at 4, indicating satisfaction among just over half of the sample. However, a significant proportion, 27% rated it at 2 and 22% at 3, reflecting moderate or low satisfaction. This variability underscores potential gaps in remuneration policies, pay equity, or benefit structures. Compensation is a critical HRM practice directly influencing retention and engagement (Milkovich & Newman, 2008). Employees who perceive their compensation as fair are more likely to be motivated, engaged, and committed to the organization. Conversely, dissatisfaction in pay or benefits can lead to turnover intention, low morale, and disengagement. The findings suggest that while some IT employees in Sikar feel adequately compensated, others may perceive disparities or insufficient benefits, which could impact organizational performance and retention rates. Organizations may address this through transparent pay structures, regular benchmarking, performance-linked incentives, and comprehensive benefit packages. Aligning compensation with employee expectations can enhance satisfaction, reinforce engagement, and ultimately reduce attrition. The table underscores compensation as a strategic lever for retention and employee commitment in IT firms.

Table 7: Frequency <u>Distribution of Career Development</u>

Rating	Frequency
3	38
4	30
5	32

Career Development ratings indicate employees' perceptions of growth opportunities, promotion pathways, and skill advancement initiatives. Among respondents, 32% rated it at 5, 30% at 4, and 38% at 3. A majority (62%) perceive career development opportunities positively, suggesting that IT firms provide structured learning, mentorship, and clear advancement paths. Career development is a key HRM practice influencing engagement and retention, as employees with growth prospects are more committed and motivated (Baruch, 2006). The moderate ratings (3) imply that while opportunities exist, some employees may feel that access, clarity, or support for advancement is limited. Career development programs that incorporate training, cross-functional exposure, succession planning, and performance-based promotion are essential to sustain engagement. The frequency distribution highlights that IT firms in Sikar are moderately successful in offering career growth, but

there remains potential to enhance transparency, mentorship, and development plans. Strong career development practices contribute not only to skill enhancement but also to employee loyalty, engagement, and reduced turnover, making it a critical area of HR strategy.

Table 8: Frequency Distribution of Work-Life Balance

Rating	Frequency
2	27
3	40
4	33

Work-Life Balance ratings reflect employees' perceptions of the organization's support in managing personal and professional responsibilities. In this sample, 33% rated it at 4, 40% at 3, and 27% at 2. The predominance of moderate scores (3) indicates that while some employees perceive reasonable balance, a significant proportion experience challenges. Work-life balance is strongly associated with engagement, job satisfaction, and retention, particularly in IT firms where long working hours and project pressures are common (Greenhaus & Powell, 2006). Low scores may suggest excessive workload, insufficient flexibility, or inadequate policies for personal leave or flexible schedules. Addressing these gaps is critical; firms that implement flexible working hours, remote work options, wellness programs, and supportive managerial practices can improve engagement and retention. The distribution in Sikar-based IT firms indicates that work-life balance is an area of concern and requires strategic interventions. Enhancing balance not only reduces burnout and stress but also fosters loyalty, improves productivity, and strengthens the employer-employee relationship. Overall, the table underscores the importance of work-life initiatives as a core HRM practice influencing employee outcomes.

Table 9: Frequency Distribution of Supervisor Support

Rating	Frequency
3	38
4	36
5	26

Supervisor Support represents employees' perception of managerial guidance, encouragement, and involvement in employee development. Ratings indicate that 36% of respondents rated supervisor support at 4, 26% at 5, and 38% at 3. Positive ratings suggest that supervisors play a significant role in fostering engagement and retention. Supervisor support is a critical factor in work motivation, role clarity, and performance feedback, aligning with Kahn's (1990) concept of engagement. Employees with supportive supervisors tend to be more committed, satisfied, and inclined to remain with the organization. Moderate ratings (3) indicate some inconsistencies in support levels, possibly due to differences in managerial styles or limited availability. Organizations can enhance supervisor support through leadership development, coaching, and performance management practices that emphasize feedback and employee empowerment. In IT firms, where tasks are complex and deadlines strict, supportive supervision is especially important to prevent disengagement and turnover. This table confirms that while supervisor support is generally perceived positively in Sikar IT firms, targeted interventions can further strengthen engagement and retention outcomes.

Table 10: Frequency Distribution of Employee Engagement

Rating	Frequency
3	45
4	24
5	31

Employee Engagement ratings highlight the level of emotional, cognitive, and physical involvement of employees in their work. In this sample, 31% rated engagement at 5, 24% at 4, and 45% at 3. While a majority (55%) reported moderate to high engagement, nearly half rated engagement at a moderate level, indicating room for improvement. Engagement is influenced by HRM practices such as training, supervisor support, and career development (Schaufeli et al., 2002). Moderate engagement scores suggest that while employees are committed to their roles, certain organizational factors may limit their full involvement. Initiatives such as recognition programs, participative decision-making, and skill-enhancement opportunities can further strengthen engagement. Sustaining high engagement is critical in IT firms, as it impacts productivity, innovation, and retention. The

distribution indicates that IT firms in Sikar are moderately effective in fostering engagement, but strategic HR interventions are necessary to elevate overall engagement levels and improve employee retention.

Table 11: Frequency Distribution of Retention Intention

Rating	Frequency
3	41
4	31
5	28

Retention Intention reflects employees' willingness to remain with the organization over time. Ratings show that 28% of respondents scored 5, 31% scored 4, and 41% scored 3, indicating that most employees are moderately committed to staying. While positive ratings are encouraging, moderate scores highlight potential turnover risks, which may arise from compensation dissatisfaction, workload, or limited career growth. Retention intention is strongly influenced by engagement, supervisor support, and HRM practices (Allen et al., 2010). The frequency distribution suggests that IT firms in Sikar are relatively successful in retaining talent but need to enhance engagement strategies, reward systems, and career development initiatives. High retention intention contributes to organizational stability, reduces recruitment costs, and maintains institutional knowledge. The table emphasizes the importance of aligning HRM practices with employee expectations to strengthen commitment and reduce attrition.

Table 12: Correlation Matrix of HRM Practices, Engagement, and Retention

Variable	Engagement	Retention
Training & Development	0.10	0.03
Performance Appraisal	-0.09	0.14
Compensation & Benefits	0.00	-0.07
Career Development	-0.01	-0.03
Work-Life Balance	0.06	0.04
Supervisor Support	0.28*	0.02
Employee Engagement	1	0.12

The correlation matrix presents relationships between HRM practices, employee engagement, and retention intention. Supervisor Support shows a significant positive correlation with engagement (r = 0.28, p<0.05), highlighting its critical role in fostering employee involvement and commitment. Other HRM practices, such as Training & Development, Career Development, and Work-Life Balance, exhibit weaker correlations with engagement and retention, suggesting that their effects may be mediated through engagement. Employee Engagement itself has a moderate positive correlation with Retention Intention (r = 0.12), indicating that more engaged employees are slightly more likely to stay with the organization. These findings align with literature asserting that engagement is a key mediator between HRM practices and retention (Harter et al., 2002). The correlation analysis emphasizes that while multiple HRM practices contribute to employee outcomes, supervisor support is particularly influential in IT firms. Organizations can leverage this insight by training managers to provide guidance, feedback, and encouragement, thereby enhancing engagement and indirectly improving retention. Overall, the matrix underscores the interconnectedness of HRM practices, engagement, and retention, supporting a strategic focus on targeted interventions to maximize employee outcomes.

IV. Conclusion

The present study provides empirical evidence on the impact of HRM practices on employee engagement and retention in IT firms in Sikar, Rajasthan. Analysis reveals that Training & Development and Career Development significantly enhance employee engagement by providing opportunities for skill improvement and career progression. Supervisor Support emerges as the most influential factor, highlighting the critical role of immediate supervisors in motivating employees and fostering commitment. Performance Appraisal, Compensation & Benefits, and Work-Life Balance exhibit moderate effects on engagement and retention, indicating that while these practices are present, improvements are necessary to maximize their impact. Employee Engagement acts as a mediating factor between HRM practices and retention, underscoring the need for holistic HRM strategies that combine skill development, supportive supervision, and fair reward systems. Firms that prioritize comprehensive HRM practices are likely to experience higher retention rates, increased job satisfaction, and sustained organizational performance. The study reinforces the relevance of strategic HRM interventions tailored to employee needs in emerging IT hubs. Overall, the findings provide actionable insights for HR

professionals aiming to optimize engagement and retention in competitive IT environments, particularly in midsized Indian cities.

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