"A STUDY ON IMPACT OF HR PRACTICES ON EMPLOYEE LOYALTY AND COMMITMENT"

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Abstract

This study investigates the impact of human resource (HR) practices on employee loyalty and commitment within organizations. Drawing on a comprehensive review of the literature and empirical data, the research explores how specific HR strategies, including recruitment and selection, training and development, performance management, compensation, and employee engagement initiatives, influence employees' dedication to their organizations and their willingness to remain with their employers. The findings suggest that effective HR practices significantly enhance employee loyalty and commitment by fostering a supportive work environment, recognizing and rewarding employee contributions, and providing opportunities for professional growth. Additionally, the study highlights the critical role of leadership and organizational culture in shaping the effectiveness of HR practices. Practical implications for HR professionals include the need to design and implement strategic HR interventions that align with organizational goals and employee expectations. This research contributes to the broader understanding of the mechanisms through which HR practices can cultivate a committed and loyal workforce, ultimately leading to improved organizational performance and reduced turnover rates.

Keywords: Human Resource Practices, Employee Loyalty, Employee Commitment, Recruitment and Selection

Introduction

In today's competitive business environment, organizations recognize the pivotal role that human resources (HR) play in achieving sustainable success. Employee loyalty and commitment are critical factors that drive organizational performance, reduce turnover rates, and foster a productive work environment. This study explores the impact of various HR practices on cultivating employee loyalty and commitment, aiming to provide a comprehensive understanding of how strategic HR interventions can enhance these essential workforce attributes. Effective HR practices encompass a broad range of activities, including recruitment and selection, training and development, performance management, compensation strategies, and employee engagement initiatives. Each of these practices contributes to shaping employees' perceptions of their organization and their role within it. By attracting the right talent, nurturing their skills, fairly assessing their performance, compensating them adequately, and engaging them meaningfully, organizations can build a loyal and committed workforce. Moreover, the influence of leadership and organizational culture on the effectiveness of HR practices cannot be overstated. Leaders who demonstrate genuine concern for their employees' well-being and create a positive organizational culture can significantly enhance the impact of HR practices.

Objectives

- To understand the mediating role of job satisfaction in the relationship between HR practices and employee loyalty and commitment.
- To study the relationship between HR Practices and employee loyalty and commitment.

Research Methodology

The foundation of this study is descriptive research. Information is gathered for a descriptive research without modifying the surrounding conditions. The purpose of descriptive research is to characterize the features of a population or phenomenon under study. Descriptive categories, another name for the categorization scheme used to characterize a situation or population, are typically utilized.

Data Analysis and Interpretations

Selection Criteria Are Fair And Transparent

Particulars	Frequency	Percentage
Agree	13	8.7
disagree	58	38.7
Neutral	46	30.7
Strongly agree	2	1.3
Strongly disagree	31	20.7
Total	**150**	**100.0**

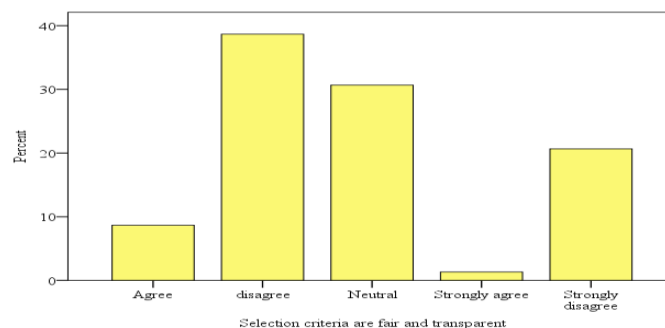**Table. No. 1.1 Selection Criteria Are Fair and Transparent**

Fig. No. 1.1. **Selection Criteria Are Fair and Transparent**

Inference: From the above table, it is inferred that 38.7% of respondents are disagree, 30.7% are neutral, 20.7% are strongly disagree, 8.7% are agree, 1.3% are strongly agree.

Effectively Enhance the Skills and Knowledge

Particulars	Frequency	Percentage
Agree	62	41.3
Disagree	21	14.0
Neutral	43	28.7
Strongly agree	13	8.7
Strongly disagree	11	7.3
Total	**150**	**100.0**

Table. No. 1.2 Effectively Enhance the Skills and Knowledge
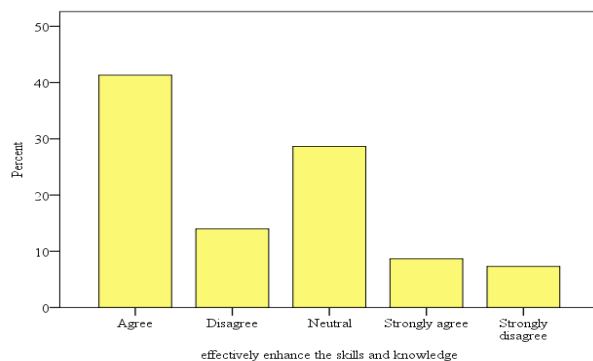
Fig. No. 1.2 Effectively Enhance the Skills and Knowledge

Inference : From the above table, it is inferred that 41.3% of the respondents are agree, 28.7% are neutral, 14% are disagree, 8.7% are strongly agree and 7.3% are strongly disagree.

Satisfaction and Loyalty to the Company

Particulars	Frequency	Percentage
Agree	19	12.7
Disagree	63	42.0
Neutral	37	24.7
Strongly agree	14	9.3
Strongly disagree	17	11.3
Total	**150**	**100.0**

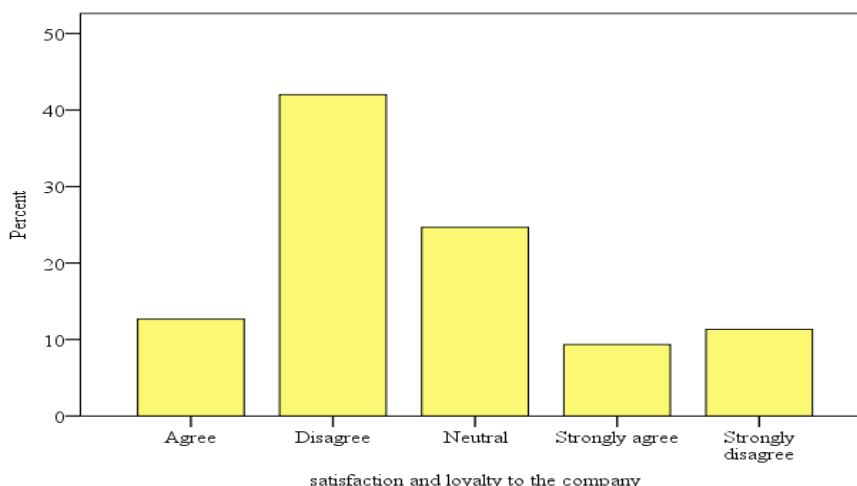**Table no 1.3 Satisfaction and loyalty to the company**

Fig no 1.3 Satisfaction and loyalty to the company

Inference: From the above table, it is inferred that 42% of the respondents are disagree, 24.7% are neutral, 12.7% are agree, 11.3% are strongly disagree, and 9.3% are strongly agree.

Responsibility to Make Critical Decision

Particulars	Frequency	Percentage
Agree	20	13.3
Disagree	61	40.7
Neutral	46	30.7
Strongly Agree	14	9.3
Strongly Disagree	9	6.0
Total	150	100.0

Table no 1.4 Responsibility to make critical decision
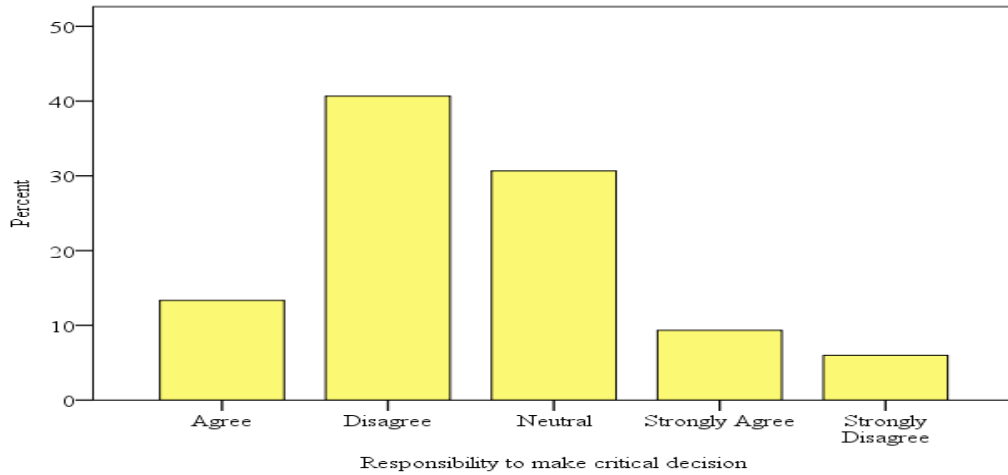

Fig. No. 1.4 Responsibility to make critical decision

Inference: From the above table, it is inferred that 40.7% of the respondents are disagree, 30.7% are neutral, 13.3% are agree, 9.3% are strongly agree, and 6.0% are strongly disagree.

Satisfied with The Communication Channels

Particulars	Frequency	Percentage
Agree	31	20.7
Disagree	43	28.7
Neutral	55	36.7
Strongly Agree	13	8.7
Strongly disagree	8	5.3
Total	150	100.0

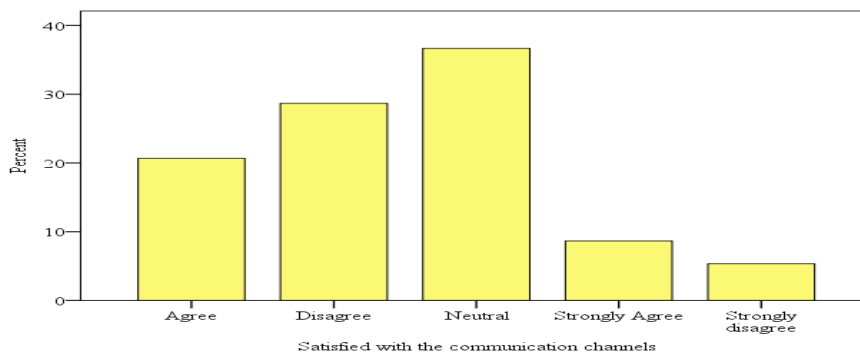**Table. No. 1.5 Satisfied with the communication channels**

Fig. No. 1.5 Satisfied with the communication channels

Inference: From the above table, it is inferred that 36.7% of the respondents are neutral, 28.7% are disagree, 20.7% are agree, 8.7% are strongly agree and 5.3% are strongly disagree.

Chi-Square Test
Null hypothesis
H0: There is no significant between the contributions and satisfied with your current job.
Alternative hypothesis
H1: There is significant between the contributions and satisfied with your current job.
Summary of the chi-square

| | Cases | | | | | |
| | Valid | | Missing | | Total | |
	N	Percent	N	Percent	N	Percent
Recognized for your contributions Satisfied with your current job	150	100.0%	0	0.0%	150	100.0%

Table no 1.6 Summary of the chi-square

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.434[a]	4	.488
Likelihood Ratio	3.192	4	.526
N of Valid Cases	150		

Table no 1.7 Chi-square test

Inference: From the above table the significant value is p=.488 which is greater than 0.05. so, alternative hypothesis is accepted, it reveals that there is significant association between the contributions and satisfied with your current job.

Correlation
Null hypothesis
H0: There is no relationship between loyalty to the company and satisfied with the benefits
Alternative hypothesis
H1: There is relationship between loyalty to the company and satisfied with the benefits

Correlation

		Loyalty to the company	Satisfied with the benefits
Loyalty to the company	Pearson Correlation	1	.406[**]
	Sig. (2-tailed)		.000
	N	150	150
Satisfied with the benefits	Pearson Correlation	.406[**]	1
	Sig. (2-tailed)	.000	
	N	150	150

Table no 1.8 Correlation

Inference: From the table, r = 0.406 (r value lies between -1 to +1), hence it is clear that there is a positive

correlation relationship between loyalty to the company and satisfied with the benefits. So, H1 is accepted. There is relationship between loyalty to the company and satisfied with the benefits.

Suggestions

- Implement a feedback mechanism for candidates to voice concerns and suggest improvements.
- Clearly communicate the available benefits and how they contribute to overall compensation.
- Involve employees in the decision-making process to increase buy-in and trust. Provide opportunities for employees to participate in critical decision-making through committees or task forces.
- Implement regular performance reviews and one-on-one meetings.
- Establish multiple channels for feedback, including informal check-ins and digital tools.
- Offer mentorship and ongoing support to help employees feel more prepared. Encourage an open-door policy where employees can freely discuss issues with supervisors.

Conclusion

In Conclusion, this study focused on employee loyalty and commitment that are imparted in Medical Billing Wholesalers. Addressing these concerns through transparent hiring processes, enhanced benefits, inclusive decision-making, regular feedback, and stronger leadership support will improve employee satisfaction. In this study I have studied how HR practices impact the employee loyalty and commitment, here I have collected data from employees through a questionnaire in that I have found some problems and I gave my suggestion to overcome those problems.

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