FACTORS AFFECTING EMPLOYEE RETENTION IN NEPALESE MANUFACTURING COMPANIES

A Dissertation submitted to the Office of the Dean, Faculty of Management in partial fulfillment of the requirements for the Master's Degree

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CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled **"Factors Affecting Employee Retention in Nepalese Manufacturing Companies"**. The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor it has been proposed and presented as part of requirements for any other academic purposes.

The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

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REPORT OF RESEARCH COMMITTEE

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We, the undersigned, have examined the dissertation entitled **"Factors Affecting Employee Retention in Nepalese Manufacturing Companies"** presented by Sujata Timilsina, a candidate for the degree of Master of Business Studies (MBS Semester) and conducted the Viva voce examination of the candidate. We hereby certify that the dissertation is worthy of acceptance.

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Sujata Timilsina
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ABBREVIATIONS

%	:	Percentage
&	:	And
CB	:	Compensation & Benefit
CO	:	Career Opportunities
e.g.	:	Example
ER	:	Employee Retention
i.e.	:	That is
IBM	:	International Business Machine Corporation
MS. DO	:	Microsoft Disk Operating System
No.	:	Number
Res	:	Respondents
SEM	:	Structural Equation Modeling
SPSS	:	Statistical Package for Social Sciences
SS	:	Supervisor Support
T.U.	:	Tribhuvan University
TD	:	Training & Development
WHO	:	World Health Organization
WLB	:	Work Life Balance
www	:	World Wide Web

ABSTRACT

This study examines the factor affecting employee retention in manufacturing companies in Nepal. This study is based on descriptive research design and causal-comparative research design. 400 employees or respondents are taken as a sample of the study. Correlation and regression analysis is used to analyze the data. This study found that employee agreed that supervisor support and work life balance factor highly affects their retention and they believe that their retention was also high. The correlation analysis shows that the correlation analysis reveals that training & development and career opportunities have significant positive relationship with employee retention. At the same time, there is significant positive association between work life balance and employee retention. Similarly, correlation value between compensation & benefit and the employee retention is significant positive. Moreover, correlation value between supervisor support and the employee retention is significant positive. The regression analysis shows that there is significant positive effect of training & development and career opportunities on employee retention. Then, there is also significant positive effect of work life balance on employee retention in companies. At the meantime, compensation & benefit has significant positive impact on employee performance. Finally, supervisor support has significant positive effect on employee retention in companies. However, all the factors have significant impact on employee retention in Nepalese manufacturing companies in Nepal.

Keywords: Employees retention, training & development, career opportunities, supervisor support and work life balance.

CHAPTER - I
INTRODUCTION

1.1 Background of the Study

It has been demonstrated that employee retention is essential for an organization to expand and achieve its goals, particularly when trying to outperform competitors in a time of increasing globalization. Trade agreements, global economic conditions, technological breakthroughs, and other issues are now directly affecting the working relationship between an employer and employee. The result is high employee turnover rates, which impact a business's capacity to retain people. In addition to adding barriers to retention, excellent personnel may depart a company due to dissatisfaction, underpayment, or lack of motivation, according to Coff (1997). Many elements are considered necessary for a successful staff retention strategy (Cappelli, 2000). Company culture, career possibilities, and work-life balance are all thought to directly affect employee retention.

Employee retention is the main problem with human resource management in the hotel sector. The ability of hotels to sustain innovative ideas, creativity, and flexible work arrangements will be essential elements of their sustained success. A hotel may have to pay a large amount of money for hiring, orientation, training, and supervision if its working conditions are insecure (Prabusankar, 2017). Having stable employees gives you a significant competitive edge.

The term “human resources,” which is becoming more and more general, encompasses the mixture of traditionally administrative personnel functions, employee relations, resource planning at different levels, and the acquisition and application of knowledge, skills, and abilities. This field applies both System Theory and Industrial/Organizational Psychology. There are two or more context-related effects of human resources. The method used by companies to keep their gifted workers on board for performance is known as employee retention (Michael, 2009). Businesses can choose from a wide range of HR solutions to assist with employee retention. The goal of these tactics is to reduce turnover rates.

Maintaining important employees is an essential part of HRM. Accordingly, the first half of the talent wars is locating and choosing the finest people to meet the organization's demands for human resources; the second is keeping them on board (Schuler & Jackson, 2006). Having talented, motivated, and experienced employees is essential to a company's survival, growth, and advancement. Skilled laborers or key individuals are a business's most valuable resource. Retaining such professionals is one of the major issues facing society today. Maintaining turnover rates below the target and industry averages is one of the most difficult things for firms to manage (Philips & Connel, 2003).

One of the most important aspects of employee retention is identifying the best candidates for the job and developing plans to keep them working for the department. It involves a variety of ideas and HR practices that should be seen as connected, such as giving hiring new employees the same priority as keeping current employees, especially those with highly sought-after skills that make them more valuable to the business and hard to find on the job market.

Changes in the economy have an effect on both official and informal contracts of employment, which affect employee dedication and organizational accountability. When workers leave an organization after completing all required training, it is a total loss. Employee retention encompasses the various measures implemented to guarantee that an employee remains with a company for the longest possible duration. One of the main reasons for employee turnover is unhappiness at work (Ragupathi, 2013). Therefore, it is imperative that managers of businesses take the time to address employee dissatisfaction. Numerous human resource strategies are available to help organizations retain staff. The goal of these strategies is lower turnover rates. Employee retention pertains to the techniques, approach, or set of measures implemented by organizations to retain their competent workforce for optimal output. However, new research indicates that managers are finding it more difficult to retain highly skilled employees as they are being lured to multiple organizations simultaneously with different incentives (Micheal, 2009).

Manufacturing companies that are unable to retain high-performing employees will eventually be left with underemployed, low-performing workers who will eventually

hurt their ability to remain competitive due to the current shortage of skilled workers with the knowledge and skills necessary to do their jobs well (Rappaport et al., 2003). It is becoming more and more challenging for industrial firms to retain and inspire their workforce in an increasingly unpredictable climate. Following an organizational transition, employee attention, confusion, and fixation on potential consequences typically result in a decline in retention rates. However, this study aimed to analyze the factor affecting employee retention of Nepalese manufacturing sectors.

1.2 Problem Statement

Employee turnover is one of the problems in business nowadays that people find concerning. Industrial psychologists, HR specialists, and senior management have all placed a great deal of emphasis on the effects of turnover. It has proven to be one of the most expensive and challenging human resource-related problems that numerous enterprises worldwide face. A corporation may intentionally provide training to help employees develop skills relevant to their work (Noe et al., 2003). When considering staff retention, it is important to provide resources towards employee training and development opportunities. Setting goals for productivity and return on investment helps a business stay motivated (Messmer, 2000).

The goal of the study is to retain the best and most desired staff. The company is in the midst of a big problem. It is within the purview of the HRM department of the company. Thus, the HRM division ought to place a great premium on retaining its core staff. Excessive staff turnover raises direct and indirect expenses. The costs associated with employee turnover significantly affect the organization's capacity to grow and evolve. Excessive worker turnover is a major problem in all economic sectors, not just the banking business, according to a review of the literature. Workers may quit a company willingly or unwillingly. Involuntary separation is caused by poor performance, unreliability from work-family conflicts, or other personal reasons. On the other hand, better opportunities from other employment lead to voluntary disengagement (Johnson & Corcoran, 2003).

Umamaheswari and Krishnan (2015) revealed there was a correlation between each of the four criteria and employee retention. The results also showed that policies and work-life balance, organizational commitment, and supervisor support all had a big

impact on employee retention. Nasir and Mahmood (2016) found a strong correlation and dependence between employee retention and independent variables such as work-life balance, professional growth possibilities, rewards and recognition, work environment, and job satisfaction. Kakara, Raziqb, and Khan (2017) demonstrated a noteworthy affirmative correlation between employee retention and human resource management practices, specifically empowerment, compensation, training, and appraisal systems. Prabusankar (2017) found that proximity, relationships, professional development, and compensation all positively and significantly impacted employees' commitment.

Chalise (2019) mentioned that there was a strong positive correlation between work-life policies and career possibilities and employee retention. Furthermore, this study confirms the strong impact of work-life policies and the lack of a substantial correlation with training and development initiatives in Nepalese commercial banks. Khan et al. (2020) stated that employee retention was significantly impacted by pay, benefits, and career advancement opportunities. However, there was little to no correlation found between employee retention and work-life balance and training and development. Chaudhary (2019) came to the conclusion that factors such as job security, pay management, career growth and development opportunities, and workplace environment had a big influence on how long employees stayed at Kathmandu's NIBL and HBL. Akther and Tariq (2020) argued an organization's ability to retain its workforce is primarily dependent on its employee benefits.

Nowadays manufacturing companies frequently have trouble keeping their workforces. Given that workers represent a company's most significant and valuable asset, it makes sense to endeavor to retain them for as long as feasible. This is accurate given the severe loss and unjust situation that accompany an employee's departure from an organization. Nepalese workplaces frequently have high turnover, with the industrial sector seeing even higher rates. Even though this field is more professional than others, organizations nonetheless struggle with employee retention. The goal of this study is to assess the factors that, in the context of actuality, encourage higher retention rates in businesses. It is directed towards exploring the answers of following questions.

i. What is the level of employee retention and its factors in Nepalese manufacturing companies?
ii. Is there any relationship between employee retention and its factors (training & development, career opportunities, work life balance, compensation & benefit and supervisor support) in Nepalese manufacturing companies?
iii. Do the training & development, career opportunities, work life balance, compensation & benefit and supervisor support have an impact on employee retention in Nepalese manufacturing companies?

1.3 Objectives of the Study

The general objective of the study is to investigate the factor affecting employee retention in manufacturing companies in Nepal. The specific objectives of this study are as follows:

i. To analyze the level of employee retention and its factors in Nepalese manufacturing companies.
ii. To identify relationship between employee retention and its factors (training & development, career opportunities, work life balance, compensation & benefit and supervisor support) in Nepalese manufacturing companies.
iii. To evaluate the impact of training & development, career opportunities, work life balance, compensation & benefit and supervisor support on employee retention in Nepalese manufacturing companies.

1.4 Research Hypotheses

The aforementioned study questions were divided into the following hypotheses. Therefore, the purpose of this study was to evaluate the following theories in relation to Nepalese manufacturing companies.

i. H_1: There is significant effect of training and development on employee retention in Nepalese manufacturing companies.

ii. H_2: There is significant effect of career opportunities on employee retention in Nepalese manufacturing companies.

iii. H_3: There is significant effect of work life balance on employee retention in Nepalese manufacturing companies.

iv. H_4: There is significant effect of compensation and benefit on employee retention in Nepalese manufacturing companies.

v. H_5: There is significant effect of supervisor support on employee retention in Nepalese manufacturing companies.

1.5 Rationale of the Study

The results of this kind of research would provide management at manufacturing companies with more insight into the causes of employee desire to leave and aid in the development of tactics and policies to thwart such intents. The management would be able to distinguish between different types of employee benefits for specific employees as well as the effects of employee benefits on employee retention. This would lower staff turnover, which would enhance the organization's reputation and performance in the cutthroat market they operate in.

Employees in the public and private sectors would learn from the study how important it is to offer effective employee retention techniques that can keep their skilled personnel for improved performance. Both the Human Resource and Administration Division and the researcher would be very interested in the study. It would enhance the way that varied benefits are administered to employees and establish a connection between employee benefits and employee retention, both of which boost organizational productivity. It would also make it possible for other companies to find out which retention strategies encourage staff members to remain with the company and raise productivity. This study would serve as the basis for future relevant and replicated investigations, according to academicians. The research would add to the corpus of information in this field. The study would shed light on how well retention measures work to keep employees on board. The results would shed light on the most effective retention strategies and whether or not keeping personnel affects how well a business performs.

1.6 Limitations of the Study

The study has some limitations. The main limitations of the study are as follows:

- The study ignores other HRM aspects as it only considers the factor affecting employee retention of Nepalese commercial banks.
- The accuracy of the data provided and the participants' truthful responses to the survey questions confirm the study's assumptions.

- Three manufacturing businesses' employees are included in this study.
- Employees from three manufacturing firms in the Kathmandu Metropolitan City are included in this study. The replies to the research were broken down into three personnel levels: assistant, officer, and manager.
- This study used only descriptive analysis, correlation analysis and multiple regression analysis.

CHAPTER - II
LITERATURE REVIEW

The literature study pertinent to the factors influencing staff retention in Nepalese manufacturing companies has been the main emphasis of this chapter. Every study has a foundation of historical facts and knowledge, which serves as the basis for the current investigation. This chapter has its own significance in this study since it aids in gathering sufficient feedback to expand the information base and inputs into my research. The theoretical review, empirical review, and research gap are the main topics of this chapter.

2.1 Theoretical Review

2.1.1 Theories of Employee Retention

In this section, an examination of the general concepts of employee retention can provide a better understanding of how staff retention functions in manufacturing companies, even in the face of particular methods that may differ from business to firm. Some misconceptions regarding employee retention are as follows:

2.1.1.1 The Decision Making Theory

The theory of decision-making was first introduced by scholars such as Simon (1960), Mintzberg, Raisinghani, and Theoret (1976), and Miller, Hickson, and Wilson (2003) in their research on decision-making inside organizations. As to these experts, a fundamental tenet of organizational decision-making is the rationality of organizational decisions, which are essential for the seamless operation of organizations in their pursuit of improved performance (Miller et al., 2003). Decisions are the choice of a suggested course of action, according to decision making theorists (Simon, 1960). Realizing the goals that the organizations were founded to pursue is the course of action. According to Iyayi (2002), a fundamental concept in decision-making is that decision-makers act out of a sense of urgency to address an issue or seize an opportunity.

The idea and goal of organizations, whether in the public or private sector, are centered around decision-making, which is another fundamental tenet of

organizational decision-making (Miller et al., 2003). This implies that decision-making, whether in the public or private sector, is fundamental to the commercial success of any company. Moreover, it suggests that the management team's decisions, which impact specific or entire facets of the business, determine whether an organization succeeds or fails at any given time.

The theory held significance for the study as it addressed important decisions that an organization must make to accomplish its objectives. These decisions include selecting the right candidates, scheduling the recruitment process, devising recruitment strategies to hire skilled personnel, and implementing retention plans to keep the hired personnel committed to the organization's mission. In an effort to help companies meet their objectives for improved service delivery, decision-making is seen as an ongoing duty for individuals tasked with leading the organization's management team. Therefore, it is accepted wisdom to contend that the management team's decisions made on the organization's behalf in a given area of its operations throughout time play a major role in determining the success of the organization.

2.1.1.2 Two Factor Theory of Motivation

Hertzberg's (1968) Two Factor Theory of Motivation was used as the study's perspective. According to Hertzberg (1968), each worker has two sets of needs: hygienic and motivational. As stated by Hertzberg (1968), workers will remain in their current position as long as their requirements are met and they are motivated. Employee turnover results from the automatic call to leave if their needs are not met. A person's level of job satisfaction is influenced by various aspects of the employment itself. Herzberg (1968) discovered that the following areas were unsatisfactory: security, status, pay, working conditions, supervision, business policy, and interpersonal connections. The distinction between them and motivators lies in their relationship to the job's setting rather than its substance (Armstrong, 2007).

The ability to offer excellent benefits to staff members, who in turn enable increased productivity to gain greater flexibility and competitive advantage while being cost-effective and competitive, is what makes an organization appealing. Guest (2006) is of the view that if organizations want to boost commitment and motivation two essential components of great performance they would be wiser to shift their emphasis

to intrinsic happiness rather than extrinsic rewards. This entails rethinking work so that it offers employees a sense of fulfillment, challenge, and opportunity to learn. The long-term partnership between an employee and the company is referred to as retention. The cost of employee turnover is reduced and employee loyalty is increased when employee retention techniques are implemented well.

The study found relevance in the Two-Factor theory, which suggests that managers of commercial banks should prioritize ensuring that hygiene factors are adequate to prevent employee dissatisfaction. Additionally, in order to inspire their staff to work harder and perform better, these managers need to guarantee that the work is engaging and fulfilling. In order to inspire employees, this theory also emphasizes job enrichment. The position must make the best use of the worker's abilities and skills. By concentrating on the motivating elements, work quality can be raised and commercial banks can perform better.

2.1.1.3 Hierarchy of Needs Theory

Employee needs are categorized into five progressive categories according to Maslow's (1943) hierarchy of needs theory, which starts with fundamental bodily requirements and moves up to needs for professional and personal development. This idea states that in order to get to the greater degree of satisfaction, one must first pass the lower one. The argument is compelling because it holds that in order for workers to genuinely dedicate themselves to working objectives, companies must provide for every level of worker requirements. This idea states that when requirements are not met by an employer at any level of the hierarchy, it can lead to a lack of fulfillment in the professional life of the employee. Eventually, the person may attempt to meet these needs on their own, perhaps by looking for a new job that offers better chances. This argument ignores the fact that human needs are limitless and that, in reality, corporations are unable to provide for all of their employees' requirements. Some employees who used to be in better-paying positions are still quilters in some firms. This indicates that there is no definitive point demonstrating that this is the maximum degree of fulfillment for human desires, which are infinite. As a result, this idea was chosen to direct the research since, as was previously mentioned, workers in some

businesses, like NBC, resign from their positions despite receiving rewards and being highly motivated.

2.1.1.4 Human Capital Theory

The economist who created the Human Capital Theory (HCT), Becker (1962), believed that in a perfect labor market, the effects of general and specific human capital on employee retention would differ. While specific human capital which is acquired through education, training, and experience in a particular context increases employee retention, general human capital which refers to overall education and practical experience decreases employee retention. Additionally, Becker believed that general training can increase productivity in any other organization, so this theory highlights the significance of training in raising income and productivity by giving organization staff vital skills and knowledge.

According to Hatch and Dyer (2004), this theory plays a significant part in modern staff learning since it demonstrates how training expenditures may improve employees' abilities and knowledge. This concept lists work experience, job instruction, formal training, and on-the-job training as kinds of training (Miller et al., 2015). Productivity increases resulting from firm-specific human capital can lead to higher revenues for any corporation. That means that it recommends training methods to provide the company an edge.

2.1.2 Factor Affecting Employee Retention

A large number of departing employees may be a sign or symptom that there is a problem, in which case the company needs to look into the causes and take appropriate action. As a result, several research are conducted to investigate various components. For example, Mathis and Jackson (2010) and Mehta et al. (2014) revealed the common misconceptions and facts that support employee retention, which are related to management and human resource aspects. These include goals that are well-defined, efficient management, favorable organizational perspectives, politics within the organization, managerial favoritism, the caliber of leadership within the organization, interpersonal relationships at work, work-life balance,

rewards and compensation, benefits, performance, career training and development, and employer policies and practices.

Other researchers: Ing-Chung et al. (2006); Maqsood et al. (2015); Chowdhury, Al and Nazmul (2017), similarly pointed out a number of variables, including hiring, pay, job security, training and development, promotion and growth chances, supervisor support, work environment, greatest career progression options, autonomy, communication, and corporate justice, among others.

It is evident that academics have identified a range of elements that impact employee retention, with differing degrees of influence. This suggests that there is disagreement on the best combination of HR procedures to maintain employee loyalty to the company. This also relies on the employer's focus and selection of elements that best fit their business; nonetheless, recruiting is the first step in building a solid, dedicated workforce with a genuine goal of keeping them on board (Mehta et al., 2014). In order to gain a more comprehensive understanding, this study aims to thoroughly examine a few key HR elements, including pay, benefits, training, career development, work-life balance, and workplace atmosphere, and to define how each of these factors affects employee retention.

2.1.2.1 Training and Development

Regardless of the type of business, training and development are essential departments for firms. If staff isn’t properly trained, they could have trouble achieving performance goals. As a result, it hinders not just personal growth but also the advancement of the company. McDowall and Saunders (2010) stated that advanced improvements and hierarchical shifts have progressively led certain firms to realize that staff competencies and talents are critical to success. They went on to claim that this shows a significant and ongoing commitment in training and development.

Cole (2002) argued that training is more than just a learning exercise that improves one's ability to complete a task. In addition, staff members ought to be equipped with a variety of fresh talents and be ready to adapt to the latest developments. According to Abba (2018), the most valuable resource in a company is its workforce skilled,

knowledgeable workers who must be managed well to guarantee job satisfaction and retention.

Govil (2014) stated that the goal of a training program is to maintain and improve current job performance. Furthermore, in light of technological advancements, increased education and proficiency become imperative. Economic operations today, especially those of banks, are knowledge-based, so in order to keep up with the increasing global interconnectedness of banking operations, training and development should receive a lot of attention. Each and every skilled worker is a company asset.

2.1.2.2 Work Life Balance

Work-life balance may be defined as the ability of an individual to manage their time and emotions while juggling their professional obligations and personal obligations. The circumstance in which a person lessened the conflict between their obligations to their family and their job (Kumarasamy, 2015).

Unable to find equal time for work and personal life also affects employees' effectiveness, job happiness, and anxiety. Today's workers look for jobs that allow them to maintain a consistent work-life balance. This is further evidenced by a study conducted by Edwards and Rothbard (2000), which found that workers research organizations to determine whether they will provide a work-life balance before choosing to pursue employment with them.

Work-life balance is the primary factor that influences an employee's decision to stay or leave the organization. It’s interesting to note that Darcy and McCarthy (2007) noted that job pressure and responsibility have a significant impact on an employee's job and might affect their decision to leave an organization. As a result, the turnover rate may suddenly rise when an employee decides to leave.

2.1.2.3 Career Development

Employee retention is substantially higher when they perceive that the company values their professional growth and advancement. Every worker strives to accomplish their own objectives in addition to helping the company flourish. Irshad

and Afridi (2006) argued that employee career advancement is a phenomenon that is formalized, organized, and a planned attempt to achieve the balance between organizational requirements and individual career needs. Furthermore, the fast increasing awareness is evidence that employees can give a company a competitive advantage in the marketplace.

Additionally, research revealed that employees' desire to grow in their jobs is a motivating element, and that desire to develop in the company will drive people to stay employed regardless of age. Career development, according to Kyriakidou and Ozbilgin (2004), is essential for both employers and employees. Furthermore, career development is a win-win procedure for both employers and employees as it produces necessary results. Organizations undoubtedly need bright, productive workers to acquire and keep a competitive edge, and these workers require career development to advance and expand their abilities (Prince, 2005).

2.1.2.4 Compensation

The main financial advantage is recognized as compensation, or a material benefit that is obtained in the form of wages, incentives, or benefits (Armstrong, 2007). Put another way, compensation is the process of paying workers for carrying out organizational tasks via salary, perks, and incentives. Employees' decision to switch jobs is largely influenced by compensation; they frequently give higher salary or perks as their reason for doing so (Mathis & Jackson, 2010). Numerous studies have examined the relationship between pay and retention, but their conclusions vary; for some, it has a significant impact on employees' decisions to stay, while for others, it has little to no effect.

Maqsood et al. (2015) stated that financial compensation is the main element in employee retention. More precisely, remuneration is acknowledged by Mathis and Jackson (2010) as one of the primary human resource strategies that positively correlates with retention. Pay is also viewed as a strategy for keeping employees on board, a source of inspiration, and one of the most important elements in luring and keeping top performers and/or those with critical & distinctive skills to the company (Mehta et al., 2014).

They go on to say that "good" and "fair" incomes are the ones that have a substantial link with staying put, rather than large salaries, which are not necessary. They also emphasize that monetary incentives are not the main driver of employee retention, provided that the pay is competitive. Similarly, Kossivi et al. (2016) add that, even while it may cause unhappiness and/or serve as a catalyst for an employee's leave if it lacks justice and equity, salary cannot be regarded as a retention factor.

2.1.2.5 Leadership/Supervisor Support

Many definitions have been found by various authors, each concentrating on a particular facet of it. A leader is someone who is in charge of or accountable to a group, organization, or nation, according to the Macmillan Dictionary. Although the term "leader" may seem straightforward, becoming a leader requires certain attributes. Leadership has a critical role in keeping employees on board. There's a phrase that goes, "People leave companies, not managers." Because company systems are hierarchical, leadership is crucial in influencing employee performance and helping them decide whether to stay or leave the company.

A manager must possess effective leadership and mentoring abilities. According to Anitha (2014), a leader should exhibit behaviors that uplift staff dedication, communicate, signify personal consciousness, supply knowledge, and demonstrate respectful attitudes for the company and its employees. It's interesting to note that inspiring others is a key component of leadership in achieving organizational goals. Employee commitment in a business is greatly impacted by the attitude of the manager, as shown by (McNeese-Smith, 1995).

2.2 Empirical Review

Enu-Kwesi et al. (2014) investigated determinants of employee retention in Ghana commercial bank, Kumasi. The main purpose of the study was to evaluate the determinants of employee retention in Ghana Commercial Bank (GCB), Kumasi. Examined were a number of elements that affect employee retention, including organizational characteristics, human resource characteristics, organizational benefits, commitment, employee retention, and work satisfaction. A correlational design, which is a type of quantitative research methodology, was employed. Using questionnaires, primary data were gathered from 98 employees, including senior and

junior staff. Statistical Product and Service Solutions (version 17)'s step-wise regression and Spearman correlation tools were used to examine the data. The study's conclusions showed a strong correlation between job happiness, policies, and staff retention. Specific factors that affected retention included communication, justice and fairness, training and development, and job satisfaction.

Umamaheswari and Krishnan (2015) investigated retention factors and their relative significance in ceramic manufacturing industries in India. The main objective of the study was to analyze the factors influencing workers' retention in the ceramic manufacturing industries. Analysis was done on four non-financial factors: organization commitment, supervisor support, training and development, and work-life balance and policies. This study examined the data of workers in the Indian ceramic manufacturing business. A suite of statistical tools was utilized to investigate the effects of every variable. The results of the study showed a correlation between employee retention and all four criteria. The results also showed that policies and work-life balance, organizational commitment, and supervisor support all had a big impact on employee retention. Additionally, it was discovered that supervisor support had a greater impact than the other two categories. The study's shortcomings and suggestions were also included.

Nasir and Mahmood (2016) examined determinants of employee retention: an evidence from Pakistan. An investigation on the factors that contribute to employees' commitment to their organizations was carried out directly with the employees. An attempt is made to ascertain the usefulness and efficacy of retention methods in Pakistani enterprises with regard to personnel retention. The examination of sample characteristics was conducted using descriptive statistics. In addition, a correlation matrix was used to analyze the data. The results of this study showed that all of the independent variables supervisor support, work-life balance, chances for career advancement, rewards and recognition, work environment, and job satisfaction correlated and were significantly reliant on employee retention. By using the identified variables more appropriately, Pakistani organizations would see an increase in staff retention.

Prabusankar (2017) analyzed a study on factors affecting employee retention in manufacturing enterprises in Coimbatore district. The main objective of the study was to look at how employee commitment was affected by factors that affect employee retention in manufacturing organizations. This study used multiple linear regression analysis to analyze the data. The results demonstrated a significant discrepancy between the variables impacting worker retention in manufacturing organizations and the socioeconomic profile of workers. Employee engagement was positively and significantly impacted by their pay, opportunities for career growth, location, and connections. Manufacturing companies should offer fair and sufficient remuneration as well as possibilities for their employees' growth and development through efficient training programs and career advancement plans in order to keep and enhance employee commitment.

Dwomoh and Frempong (2017) investigated factors influencing employees' retention in the banking industry of Ghana. The primary goal of the study was to determine the factors that affect employee retention by doing a thorough literature analysis and identifying eight factors that are important for assisting Ghanaian banks in keeping their current workforce. Convenience sampling was used by the researchers to gather the 106 participants for the study due to confidentiality concerns and the hectic schedules of bank workers. The surveys constituted the bulk of the data collection instruments. The study's adoption of the Probit regression model, which was based on eight carefully chosen factors, yielded results that demonstrated how banks in Ghana's banking sector design and implement their reward and compensation plans to meet employees' expectations; how they handle work-life balance issues; how they establish a positive reputation and foster a positive work environment; how they offer permanent employment; how they guarantee that the values and beliefs of these banks are congruent with those of their employees; and how they ensure fairness in staff management.

Kakara et al. (2017) analyzed the impact of human resource management practices on employee retention a case of banking sector in Quetta Baluchistan. Almost all organizations aim to attract and keep qualified candidates for open positions in addition to placing them in the appropriate roles. These days, employee retention is quite important. The purpose of this study was to find out how employee

empowerment, training, pay, and appraisal systems, as well as other HRM practices, affect bank workers' retention. 150 respondents from various banks in Quetta City completed a questionnaire to provide quantitative data for this study. The present investigation's findings demonstrated a statistically significant positive correlation between employee retention and human resource management techniques, specifically empowerment, remuneration, training, and appraisal systems. The study's weaknesses are also covered, along with suggestions for more research.

Makhdoom (2017) investigated the factors affecting employees' turnover in textile mills of site area Kotare, Sindh. This study examined the elements that may be managed to reduce worker turnover and maintain organizational performance. 105 workers from textile factories in the Kotri site location were randomly selected to comprise the sample. The data was collected using a closed-ended questionnaire, and its mean, multiple regression, and Pearson correlation were examined using SPSS 24.0. It was discovered that work environment, management style, overtime availability, job security, incentives and perks, education level, alternate employment options, tenure, and attractiveness to gratuity withdrawal all significantly affect turnover intention, but age, marital status, tenure, and attraction to gratuity withdrawal do not. The concerns that have been identified as sources of turnover must be addressed in order to retain employees who will help the business achieve its goals.

Chalise (2019) investigated employee retention in Nepalese commercial banks. The main purpose of the study was to assess the factors on retention of employees in Nepalese commercial bank. Using a five-point Likert scale questionnaire, the study uses a descriptive-analytic research approach. Using a stratified random sample technique, 200 managers, assistant managers, and officer-level staff from three commercial banks in the Kathmandu Valley were chosen. Employee retention is considered an independent variable in the study, whereas career opportunities, training and development, and work-life policies are considered dependent variables. To determine the link between the dependent and independent variables, the gathered data were subjected to correlation, regression, and coefficient analysis analyses. The findings indicated a strong positive correlation between work-life policies and career possibilities and employee retention. Furthermore, this study confirms the strong

impact of work-life policies and the lack of a substantial correlation with training and development initiatives in Nepalese commercial banks.

Chaudhary (2019) investigated factors associated with employees retention: a study of Nepalese banking sectors. The main objective of the study was to analyze factors associated with the employee retention issues in Nepal Investment bank limited and Himalayan bank limited located in Kathmandu valley. With the use of a 5-point Likert questionnaire, 125 workers (representing various departments and levels) of these commercial banks provided data for the study, which was then processed using SPSS. Regression analysis and descriptive statistics are used to analyze the data that have been gathered. The results of this study showed a substantial association between staff retention in Kathmandu's NIBL and HBL and the working environment, opportunities for career advancement and development, remuneration management, and job security. It is advised that plans for work-life balance and improved career planning for staff members be increased in order to establish the stability of workers in the banking industry.

Ng et al. (2019) investigated factors affecting the staff turnover intention: A case study of a Malaysian steel manufacturing company. This study attempted to find out what factors led to the intention of personnel turnover in a Malaysian steel manufacturing company. Survey data is interpreted into frequency, percentage, and cumulative percentage using the frequency distribution. Multiple regression, Pearson correlation, and descriptive statistics were used as data analytic tools to examine the relationship between the reasons for employee turnover and the employees' intention to quit the company. This study found that how variables including employee perks, workplace culture, and chances for professional growth affected employees' intentions to leave.

Khan et al. (2020) examined causes which affect employee retention in banking sector: an empirical study in the context of Pakistan. The primary aim of the research was to assess the variables that influence employee retention in the banking industry of Pakistan. A survey approach was used to determine the various factors impacting employee retention. The data analysis tool utilized was SPSS 16.0. In order to determine the link between the dependent and independent variables, various

statistical tests were used. Analysis using regression and correlation was done. Using Cronbach's Alpha, the survey technique's dependability was also evaluated. The results of the study demonstrated that possibilities for career advancement, in addition to pay and benefits, have a significant influence on employee retention. However, there was little to no correlation found between employee retention and work-life balance and training and development.

Akther and Tariq (2020) analyzed the impact of effective training on employee retention: a study in private banks of Bangladesh. Examining the variables affecting employees' retention in Bangladesh's private banks was the study's primary goal. The study, which was based on the findings of several statistical analyses, demonstrated that a number of variables affect banks' capacity to keep its current workforce in Bangladesh. Seven criteria were investigated in this study in order to determine which ones had the greatest impact on employee retention. According to the correlation analysis, there is a strong association between each of these seven characteristics and employee retention. The most crucial element in keeping employees on board with the company, according to this survey, was employee benefits. The survey encompassed experience possibilities, leisure facilities, and compensation structure as advantages offered to employees.

Ibrahim (2021) examined factors effecting employees retention in the Malaysian manufacturing industry during the pandemic covid-19: the mediating role of job satisfaction. The purpose of this study was to look into how organizational justice and autonomy affected worker retention in the Malaysian manufacturing sector both during and after the COVID-19 outbreak. Additionally, investigating the indirect effects of work satisfaction as a mediator in the interaction between the variables and organizational justice and autonomy on employee retention. This quantitative study modified a survey and gave it to the staff; 463 valid samples were used for CFA and EFA analyses of the data gathered using SPSS and AMOS. The study found a significant direct influence of both organizational justice and autonomy on employee retention in the Malaysian manufacturing sector, and that work satisfaction plays a partially mediating role in this relationship. The authors came to the conclusion that the nations needed to manage the current situation and retain their skilled and knowledgeable staff in order to guarantee the survival of the businesses.

Elsafty and Oraby (2022) analyzed the impact of training on employee retention: an empirical research on the private sector in Egypt. The main objective of the study was to assess the relationship between employee training and employee retention. Training is regarded as the primary tactic to affect employee retention and is a crucial component in improving organizational success. However, because some managers view training as a costly risk, there is not enough investment made in training procedures. IBM SPSS Statistics 28.0 was used to conduct a hierarchical multiple regression analysis, with $\alpha = 0.05$ designated as the statistical significance level. The findings indicated that while job performance and effective communications had no effect on the association between job performance and employee retention, training and development and job satisfaction had a beneficial impact on employee retention.

Chatzoudes and Chatzoglou (2022) investigated factors affecting employee retention: proposing an original conceptual framework. The current empirical study set out to investigate the variables that influence European employees' intention to leave, with a particular focus on the mediating effect of working circumstances. This research employs a quantitative methodology. A unique conceptual framework, or research model, has been created and put to the test empirically utilizing primary data gathered from workers across five distinct European nations. The study, among other things, emphasizes the significant influence that job satisfaction and employee commitment have on employees' intentions to remain with the same firm, as well as the mechanisms that affect employee retention.

Khatun et al. (2023) examined impact of development opportunities and compensation on employee retention: a comparative study on banking industry of Bangladesh. This descriptive research looked into the connection between pay and prospects for growth and employee retention. 234 workers were selected from among the national, international, private, and specialty bank employees in Bangladesh from whose data were gathered. A five-point Likert scale was used to develop the study questionnaire, which was provided to the respondent both online and in person. IBM SPSS version 23 was used to analyze the primary data, and the independent sample t-test result showed that there was no statistically significant difference in the case of different genders on employee retention. The coefficient correlation revealed a substantial relationship between employee retention and both remuneration and

development opportunities. However, multiple regression analysis revealed that compensation had a greater impact on retention than did development possibilities.

Table 1

Summary of Empirical Review

S. N.	Author/ Date	Title	Objectives	Methodology	Major findings
1	Enu-Kwesi, F., Koomson, F., Segbenya, M., & Annan-Prah, E. C. (2014).	Determinants of employee retention in Ghana commercial bank, Kumasi.	The study examined the determinants of employee retention in Ghana Commercial Bank (GCB), Kumasi.	The data were analyzed by using Spearman correlation and step-wise regression tools in Statistical Product and Service Solutions (version 17).	This study found that a strong correlation between job satisfaction, policies, and employee retention. Specific factors that affected retention included communication, justice and fairness, training and development, and job satisfaction.
2	Umamaheswari, S., & Krishnan, J. (2015).	Retention factors and their relative significance in ceramic manufacturing industries in India.	The main objective of the study was to analyze the factors influencing employees' continuation in ceramic manufacturing industries.	Multiple regression analysis is used to analyze the influence of variables.	The results of the study showed a correlation between employee retention and all four criteria. The results also showed that policies and work-life balance, organizational commitment, and supervisor support all had a big impact on employee retention. Additionally, it was discovered that supervisor support had a greater impact than the other two categories.
3	Nasir, S. Z., & Mahmood, N. (2016).	Determinants of employee retention: An Evidence from Pakistan.	This study investigated the effectiveness of the retention strategies in Pakistani organizations and that how practical they are to retain people.	Descriptive statistics was used for the analysis of sample characteristics. Besides that correlation matrix was applied for data analysis	The results of this study showed that all of the independent variables supervisor support, work-life balance, chances for career advancement, rewards and recognition, work environment, and job satisfaction correlated and were significantly reliant on employee retention.
4	Prabusankar, R. (2017).	A study on factors affecting employee retention in manufacturing enterprises in Coimbatore	The main objective of the was to examine the influence of factors affecting employee retention in manufacturing enterprises on	This study used the multiple linear regression to analyze the data.	The results demonstrated a significant discrepancy between the variables impacting worker retention in manufacturing organizations and the socioeconomic profile of workers. Employee engagement was positively and significantly impacted by their pay, opportunities for career

		district.	commitment of employees.		growth, location, and connections.
5	Dwomoh, G., & Frempong, E. O. (2017)	Factors influencing employees' retention in the banking industry of Ghana.	The study looked at the factors influencing employees' retention by selecting eight factors after a comprehensive literature review and their significance in terms of helping banks in Ghana to retain their existing employees.	The appropriate data collection instrument used was mainly questionnaires. The results of the Probit regression model adopted for the study	The results of this study demonstrated that the ability of banks to meet the expectations of their workforce, deal with concerns related to work-life balance, establish a positive reputation and foster a positive work environment, offer permanent positions, and make sure that their values and beliefs are in line with those of their staff members and supervisors in order to foster positive relationships with subordinates are all important factors in employee retention in Ghana's banking sector.
6	Kakara, P., Raziqb, A., & Khan, F. (2017).	The impact of human resource management practices on employee retention a case of banking sector in Quetta Baluchistan.	The main objective of almost every organization is not only to select the right person for the right job but also to fascinate and retain them within the organization.	This study used correlation and multiple regression analysis to analyze the data.	This study revealed a statistically significant positive correlation between employee retention and human resource management techniques, specifically empowerment, remuneration, training, and appraisal systems.
7	Makhdoom, T. R. (2017).	Analyzing the factors affecting employees' turnover in textile mills of site area Kotare, Sindh.	This study sought to analyze the causes of turnover that can be controlled in order decrease employees' turnover and maintain organizational effectiveness.	Data were collected by closed-ended questionnaire and analyzed using SPSS 24.0 in terms of mean, multiple regression, and Pearson correlation.	It was found that work environment, management style, overtime availability, job security, incentives and perks, education level, alternate employment options, tenure, and attractiveness to gratuity withdrawal all significantly affect turnover intention, but age, marital status, tenure, and attraction to gratuity withdrawal do not.
8	Chalise, D. R. (2019).	Employee retention in Nepalese commercial banks.	The main objective of the study was to analyze the factors on retention of employees in Nepalese commercial	The collected data were analyzed through correlation, regression and coefficient analysis to establish the relationship	The findings indicated a strong positive correlation between work-life policies and career possibilities and employee retention. Furthermore, this study confirmed the strong impact of work-life policies and the lack of a significant correlation with training and development

			bank.	between the dependent and independent variables.	initiatives in Nepalese commercial banks.
9	Chaudhary, M. K. (2019).	Factors associated with employees retention: a study of Nepalese banking sectors.	The main objective of the study was to analyze factors associated with the employee retention issues in Nepalese banks.	The collected data are analyzed using descriptive statistics and regression analysis.	The results of this study showed a significant association between staff retention in Kathmandu's NIBL and HBL and the working environment, opportunities for career advancement and development, remuneration management, and job security.
10	Ng, A. H. H., Nan, W. W., Yew, L. K., & Hoo, W. C. (2019).	Factors affecting the staff turnover intention: A case study of a Malaysian steel manufacturing company.	The purpose of this study was to investigate the factors causing the staff turnover intention in a steel manufacturing company in Malaysia.	Data analysis tools such as descriptive statistics, Pearson correlation and multiple regression was applied.	The outcome of this research showed the factors studied such as staff benefits, working environment and training and development opportunities highly influenced the staff turnover intention.
11	Khan, W. K., Atif, M., Idrees, M., Ali, B., & Roman, M. (2020).	Causes which affect employee retention in banking sector: An empirical study in the context of Pakistan.	This study tried to examine that factors that affect the retaining of employees in the Pakistani banking sector.	Different statistical tests were applied for identifying the relationship between dependent and independent variables. Regression and correlation analysis was conducted.	The results of the study demonstrated that possibilities for career advancement, in addition to pay and benefits, have a significant influence on employee retention. However, there was little to no correlation found between employee retention and work-life balance and training and development.
12	Akther, S., & Tariq, J. (2020).	The impact of effective training on employee retention: A study in private banks of Bangladesh.	The main objective of the study was to examine the factors influencing employees' retention in the Private Banks of Bangladesh.	The multiple regression model has been used to analysis of the data.	This study found that there was a strong association between each of these seven characteristics and employee retention. The most crucial element in keeping employees on board with the company, according to this survey, was employee benefits.
13	Ibrahim, I. (2021).	Factors effecting employees retention in the Malaysian manufacturing industry	This study aimed to investigate the direct impact of organizational justice and autonomy on employee	This study used multiple regression analysis to analyze the data.	The findings indicated that seven elements have been shown to be the main causes of employee attrition in the banking industry. Lastly, the driving and dependent capabilities of these identified elements are also categorized.

		during the pandemic covid-19: The mediating role of job satisfaction.	retention within and after the pandemic of COVID-19 in the Malaysian manufacturing industry.		
14	Elsafty, A., & Oraby, M. (2022).	The impact of training on employee retention: An empirical research on the private sector in Egypt.	This study aimed to find and explore the relationship between employee training and employee retention.	A hierarchical multiple regression analysis was performed using IBM SPSS Statistics 28.0	The findings indicated that while job performance and effective communications had no effect on the association between job performance and employee retention, training and development and job satisfaction had a beneficial impact on employee retention.
15	Chatzoudes , D., & Chatzoglou , P. (2022).	Factors affecting employee retention: Proposing an original conceptual framework,	The purpose of the present empirical study was to examine the factors that have an impact on the turnover intention of European employees	This study used correlation and multiple regression analysis to analyze the data.	The study, among other things, emphasizes the significant influence that job satisfaction and employee commitment have on employees' intentions to remain with the same firm, as well as the mechanisms that affect employee retention.
16	Khatun, M., Rahman, S. N., & Khatun, M. (2023).	Impact of development opportunities and compensation on employee retention: A comparative study on banking industry of Bangladesh.	This descriptive study investigated the relationship between development opportunities and compensation with employee retention.	This study used correlation and multiple regression analysis to analyze the data.	This study found that when it comes to staff retention, there is statistically no difference between the genders. The coefficient correlation showed a strong association between pay and possibilities for professional growth and employee retention. However, compared to development opportunities, pay had a stronger effect on retention, according to multiple regression analysis.

2.3 Research Gap

Research gap refers to the gap between previous research and this research. Employee turnover, in contrast to employee retention, has been the focus of several studies throughout the years. This is rather normal in the context of Nepal. Because employee turnover and availability have an inverse relationship with staff retention, research on staff turnover were included in this portion of the review. This is because addressing employee turnover concerns affects the organization's ability to keep workers, and vice versa. Unlike the few studies carried out in their own countries, research from other nations has generally attempted to reveal and forward a variety of pertinent

discoveries in the field of employee retention. Nonetheless, there was ambiguity or contradiction in the conclusions on the elements that affect employee retention. They are unable to provide a tried-and-true set of trends, techniques, or staff retention criteria. Bringing this to the Nepalese context, where few or no studies on shelf, conducting a study in one of the non financial insitutions, is essential to determine the factors that influence employee retention. To back-up this gap, this study therefore, investigate the impact of importance factors such as training and development, career opportunities, work life balance, compensation & benefit and supervisor support on employee retention focusing on the country's private manufacturing sector.

CHAPTER - III
RESEARCH METHODOLOGY

The research approach is the systematic collection, documentation, analysis, interpretation, and reporting of data pertaining to various facts of a topic under examination. For every study component, the methods and techniques employed in the research approach are detailed. This chapter describes research design, population and sample, and sampling design, nature and sources of data, method of analysis and research framework and definition of variables.

3.1 Research Design

This study is based on descriptive research design and causal-comparative research design to deal with fundamental issues associated with the factor affecting employee performance in Nepalese manufacturing companies. This study adopts descriptive research design to analyze the level and characteristics of factors and employee retention in manufacturing companies. Causal-comparative design is used to find the cause and effect of relationship between different factors and employee retention.

3.2 Population and Sample, and Sampling Design

The population is the entire set of cases or group that is used for sample collection. The sample is a portion of the general population that has been chosen by the researcher to take part in the study. There are all together 118 manufacturing companies operating in Nepal so far. So, all the employees of manufacturing companies are the total population. Sample is a sub set or some part of the larger population. The sampling technique for the study followed non-probability sampling technique i.e. convenience sampling. Survey questions were manually distributed at manufacturing companies employee in Kathmandu Valley to generate responses from varied response group. Only 480 questionnaires distributed to the respondents which are approaches place and who are get in touch with the researcher. However, the valid responses were received from 400 respondents. Therefore, the sample size of the study is 400. This study attempts to find out the major factors of employee retention and how those factors influence employees' retention.

3.3 Nature and Sources of Data, and Instrument of Data Collection

The primary data were used to extract the information from the employees regarding the perception of employees on the existing factors and its impact on employee retention in Nepalese manufacturing companies. Structured set of 5 point likert Scale questionnaires were distributed to the employees of the manufacturing companies.

3.4 Method of Analysis

Various statistical methods were used in the investigation. The following subsections discuss the statistical instruments that were employed in this write-what statistical study to evaluate the data findings:

Mean

The mean, which is obtained by dividing the total number of values by the number of values, is the arithmetic mean of a range of values or quantities. It alludes to the average that is examined or utilized to determine the data's central tendency. A widely used and easily understood metric of central tendency is the arithmetic mean. To find it, tally up all of the population's data points, then divide the total by the number point. The mean is computed in this study to determine the average of the respondents' answers to the various variables in the Likert scale question. On all samples, the mean value of the answers to the Likert scale question is computed.

$$\text{Mean } (\bar{X}) = \frac{\Sigma X}{n}$$

Where,

$\sum X$= Value of responses of each independent or dependent variable

n = No. of statements

Standard Deviation

The standard deviation, which measures dispersion, is used to express how much a collection of data values vary or are dispersed. The positive square root of variance is one way to describe it. One helpful characteristic of the standard deviation is that, in contrast to variance, it has the same units of measurement as the data. There is a larger deviation within the data set if the data points deviate further from the mean. Therefore, the standard deviation increases with data dispersion. The standard

deviation is computed for each sample in this study based on the Likert scale responses.

$$\text{Standard Deviation (S.D.)} = \sqrt{\frac{\Sigma(X - \bar{X})^2}{n}}$$

Where,

X = Value of responses of each dependent or independent variable

$\bar{X}$ = Mean value of responses of each dependent or independent variable

n = No. of responses

Variance

Variance is a measure of the variation in numbers within a set of data. The variance of a set shows how far each number deviates from the mean. To calculate the variance, take the difference between each value in the set and the mean, square the differences, then divide the sum of the squares by the total number of values in the set. The Likert scale responses for each sample in this study are calculated to determine the variance. Variance is a statistical measure of how much an observation set varies from another. Variance is used in statistics for probability distribution since it measures the deviation from an average or mean.

ANOVA

An analysis of variance, or ANOVA, is a set of statistical models and the corresponding estimation methods used to look at the differences between group averages in a sample. ANOVA is used to look at general mean differences rather than specific ones. This technique uses a nominal variable with two or more categories to assess potential scale-level changes in a dependent variable. In its most basic form, an ANOVA provides a statistical test to ascertain if the population means of many groups are equal and broadens the use of the t-test to encompass more than two groups. An ANOVA is useful for comparing the means of three or more groups for statistical significance. In theory, it is comparable to several two-sample t-tests. The Fisher analysis of variance is another name for this test. It is employed to determine whether or not the dependent variable and the independent variables have a meaningful connection.

Correlation Coefficient (r)

The correlation coefficient shows how one independent variable and another independent variable are related. It is a method for determining the relationship between these two variables. When there is a substantial correlation between the two variables—that is, when changes in the value of the independent variable also have an impact on the value of the dependent variable there is a correlation coefficient. To determine the degree of relationship between independent and dependent variables for each sample in this study, correlation is computed for the responses given on a Likert scale.

$$\text{Correlation Coefficient (r)} = \frac{n\Sigma XY - \Sigma X\Sigma Y}{\sqrt{n\Sigma X^2 - (\Sigma X)^2}\sqrt{n\Sigma Y^2 - (\Sigma Y)^2}}$$

Where,

X = Value of independent variable

Y = Value of dependent variable

n = Number of responses

Regression

Regression is one statistical method used to evaluate the degree of a relationship between one dependent variable and one or more independent variables. It covers a wide range of techniques for analyzing and modeling multiple variables to find their relationships. Regression analysis is used in this study to determine the direction of the relationship between the independent and dependent variables for each sample based on Likert scale responses. The theoretical model for the relationship is formulated as equation below:

$ER = \beta_0 + \beta_1 T\&D + \beta_2 CO + \beta_3 WLB + \beta_4 C\&B + \beta_5 SS + \varepsilon$

Where,

ER= Employee Retention

T&D= Training & Development

CO= Career Opportunities

WLB= Work Life Balance

C&B= Compensation

SS= Supervisor Support

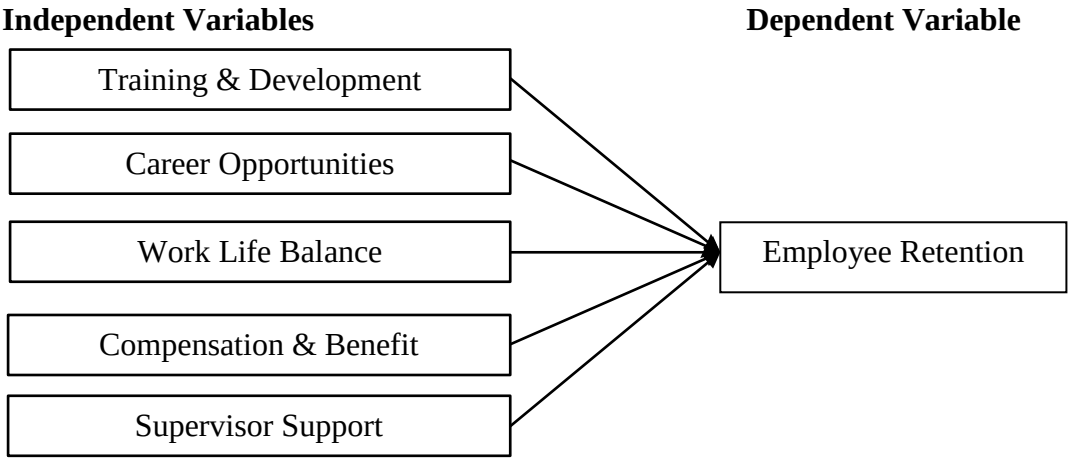
β_0 = The intercept (constant)

β_1, β_2, β_3 β_4, β_5 = Coefficient of variables

ε = Error term.

3.5 Research Framework and Definition of the Variables

The researcher develops the following research framework for the study based on reviews of the theoretical and empirical literature.



Source: Nasir and Mahmood (2016); Chalise (2019); Chaudhary, M. K. (2019); Ng et al. (2019); Khan et al (2020)

Figure 1 Research Framework of the Study

Independent Variables

Training and Development

Enhancing employee capability is the ongoing goal of training and development, or T&D. Training refers to activities that give students the information and abilities required for their current jobs, whereas development is learning that is more long-term in nature and extends beyond what is needed for a work today (Mondey & Noe, 2006). Employee skills are improved via training and development, preparing them for corporate environments. Workers ought to be granted equitable access to T & D. Employees may choose to leave the company if they are denied this opportunity.

Career Opportunities

Chaplin (2006) explained a career is the collection of jobs that make up an individual's means of subsistence. Chaplin (2006) stated that a crucial component of employee career planning is the strategic alignment of career opportunities and career aspirations. Robbins (2011) proposed a relationship between a person's views and actions about professional dedication and their career advancement.

Work Life Balance

The process of balancing an employee's personal and professional commitments is reflected in work-life balance. Improved work-life balance guarantees a positive and healthy work environment for its staff (Dhas, 2015). Work-life balance is a reflection of the harmonious coexistence of personal and professional spheres, which guarantees employee motivation and happiness. Companies aim to preserve work-life balance in order to offer their workers a positive work environment and maximize their performance (Meenakshi et al., 2013).

Compensation & Benefit

Benefits for employees are payments made in exchange for their service to the company. Direct salary is included, along with additional perks including bonuses, ownership advantages, insurance coverage, retirement benefits, health and medical benefits, and paid time off. Employees need enticing benefit packages. Ivancevich (2010) explained that the HRM function of compensation guarantees both monetary and nonmonetary benefits in return for an employee's contributions to the company. Werther and Davis (1996) stated that the value an employee receives for demonstrating and doing quality work for a business is known as remuneration. For any compensation plan to be considered effective, remuneration should be directly correlated with performance. Under such a system, awards are given based on performance rather than length of service.

Supervisor Support

Human resource policies may generate committed, productive, and contented workers. A supervisor must make use of an employee's expertise, aptitude, and skill in order to grow and enhance the organization. The literature on staff retention and leadership has been evaluated for this study. Retention has a favorable influence on an organization's efficacy, production, fertility, and skills. A manager's demeanor and actions have an impact on staff behavior. Nasir and Mahmood (2016) found that there is positive and significant relationship between supervisor and employee retention.

Dependent Variable

Employee Retention

The capacity of a business to retain its personnel over an extended period of time is referred to as employee retention. It also refers to the rules and procedures that enable staff members to follow an organization. It includes all of the tasks involved in rewarding staff members for their retention, motivation, and overall job satisfaction.

CHAPTER - IV
RESULTS AND DISCUSSION

The main objective of this research is to examine the variables influencing employee retention in Nepalese manufacturing companies. Consequently, this chapter is divided into three sections that address the conclusions and analysis of the topic. The study's variables, a demographic profile, and descriptive and correlational analyses were all included in the first section. The assumptions of the linear regression model were covered in the second section, and the regression's results were covered in the third. Using data analysis methodologies for ratio scale measurement, the ratio of the given dependent and independent variables was found for additional statistical analysis. The collected data was examined using SPSS version 26, a statistical tool.

4.1 Results

4.1.1 Demographic Profile of Respondents

The demographic analysis and interpretation of primary data obtained via surveys are covered in this section. The gender and age profiles of the respondents were examined in this section. The Kathmandu Valley was home to each and every respondent.

The distribution of responders by gender is presented in Table 2. Data from 400 respondents were gathered and examined for this study. Sixty-six percent of the overall respondents are male, indicating that men make up the majority of responders in companies. Out of 400 responders, men provide a greater majority of responses than women. However, when asked about various factors and their effect on employee retention in Nepalese manufacturing enterprises, 34.00 percent of the respondents were female. Based on these results, it appears that men are more likely than women to work in the manufacturing industry. In this particular scenario, Nepalese manufacturing enterprises are able to identify the majority of survey participants as male and female respondents.

Table 2

Demographic Specification

No.		Items	Frequency	Percent
1	Gender of Respondents	Male	264	66
		Female	136	34
		Total	400	100
2	Age of Respondents	20-29	144	36
		30-39	192	48
		40 and above	64	16
		Total	400	100
3	Education Level of Respondents	Up to Bachelor	188	47
		Master's/PHD	212	53
		Total	400	100
4	Work Tenure of Respondents	Less than 1 year	24	6.00
		1-2 years	42	10.50
		2-3 years	80	20.00
		3-5 years	136	34.00
		More than 5 years	118	29.50
		Total	400	100

Source: Opinion Survey, 2024

Table 2 also provides an age description of the respondents, indicating that 48.00 percent of the respondents fall into the 30- to 39-year-old age range. Customers of manufacturing enterprises in the age range 40 and older make up the smallest percentage of the population. Nonetheless, the bulk of responders are young. Furthermore, of the respondents, 36.00 percent identified as belonging to the 20–39 age group and 16.00 percent as representing the 40 and above age group. This suggests that 84.10 percent of the overall clientele of Nepalese manufacturing enterprises were young, enthusiastic, and employed by the firms, among other things. Table 4 displays the profile of respondents according to their level of schooling in the interim. According to the survey, 212 (or 53.00 percent) of the 400 employees who were questioned had master's degrees, while 188 (or 47.00 percent) had just bachelor's certificates. The results suggest that most of the respondents who were questioned could read and comprehend the questionnaires that were utilized in this investigation. As a result, the respondents were able to give accurate answers and demonstrated their understanding of staff retention in Nepalese manufacturing companies.

In a similar way, table 2 presented details on the respondents' employment history with a firm. Of the 400 respondents, 136 respondents, or 34.0 percent, had been employed for three to five years, while 118 respondents, or 29.50 percent, had been

employed for more than five years. Additionally, it was discovered that 24 respondents, or 6.0 percent, had worked for less than a year, while 80 respondents, or 20.00 percent, had worked for two to three years, and 42 respondents, or 10.50 percent, had worked for one to two years. The study's conclusions suggest that the majority of the staff members had sufficient experience to do their jobs effectively and productively. The results show that the respondents had a medium level of experience.

4.1.2 Summary of Descriptive Analysis

The mean and standard deviation of each measure were used to determine the factors influencing employee retention in Nepalese manufacturing companies. Using reliable sources that Creswel (2012) gave, the decision rule (cut-off point) for the mean values was determined and interpreted. The typical value of ≥4.0=Very High, 3.0-4.0=High, 2.51-3.0= Moderate, 1.51-2.5=Low, and < 1.5=Very Low, according to Creswel (2012). The researcher reported the participants' mean score for each category of variable descriptions based on this mean score assessment.

Table 3

Summary of Descriptive Analysis

Study Variables	Mean	Std. Deviation	Evaluation of Mean Score
Training & Development	3.8262	.83610	High
Career Opportunities	3.8100	.79225	High
Work Life Balance	3.8575	.75883	High
Compensation & Benefit	3.8300	.79047	High
Supervisor Support	3.8625	.76673	High
Employee Retention	3.7937	.79233	High

Source: Appendix-I

The supervisor support mean statistics (M = 3.8625, Std. = 0.766733), as shown in Table 3, reversed the independent variable chart. This result indicates that most respondents strongly agreed that supervisor support aspects have an impact on staff retention. In other words, the majority of workers believed that their supervisors supported and encouraged them even in the face of setbacks and gave them complete latitude to handle issues on their own.

Work-life balance has the second-highest mean, with a mean value of (M=3.8575) and a standard deviation of 0.75883. According to this finding, the majority of respondents strongly agreed that employee retention is impacted by work-life balance considerations. Stated differently, most employees felt that structure allows us to successfully manage our duties in both work and family life, and that the demands of family life have little impact on our ability to do our jobs well.

The standard deviation was 0.79047 and the mean compensation and benefit score was 3.8300. This finding suggests that most respondents strongly agreed that aspects related to pay and benefits have an impact on their ability to retain employees. Stated differently, the vast majority of employees said that the companies offered excellent benefits and remuneration. This suggests that workers thought the company could guarantee our happiness with its retirement benefits package and that it could reward us with bonuses as a way of showing appreciation.

The training and development mean score was 3.8262, with a standard deviation of 0.83610. The majority of respondents strongly agreed, according to this result, that training and development are provided by the firms. Stated differently, the staff felt that the company offers chances for continuous professional growth and that the training and development program it offers strengthens the spirit of collaboration among staff members.

Career opportunities rank sixth in terms of mean value (M=3.8100; standard deviation = 0.78717). This suggests that employees felt there were plenty of career prospects at the companies. This suggests that career chances play a crucial role in an employee's decision to stay with the company or quit. Additionally, the business guarantees that every worker has an equal chance at advancement, and it is dedicated to giving us lots of chances to advance our careers.

The mean employee retention score was 3.7937, with a standard deviation of 0.79223. This result indicates that most respondents firmly agreed that I had a very bright and profitable future working for this company and that the employees were truly pleased where they worked. This indicates that most respondents thought their retention was good and that the supervisor support factor had a big influence on it.

4.1.3 Correlation Analysis

To find the factors influencing employee retention in Nepalese manufacturing companies, correlation analysis was done. The relationship between the dependent and independent variables that is, the factors and employee retention of the companies is shown in the following tables. Correlation analysis was used in this study to determine the relationship between the variables. Using the SPSS software, the researcher determined the correlation coefficient value in this analysis. The correlation analysis concentrated on the general association between variables and workers' retention in manufacturing companies.

Table 4

Pearson Correlation Coefficients of Study Variables

	TD	CO	WLB	CB	SS	ER
Training & Development (TD)	1					
Career Opportunities (CO)	.678**	1				
	(.000)					
Work Life Balance (WLB)	.525**	.526**	1			
	(.000)	(.000)				
Compensation & Benefit (CB)	.574**	.586**	.476**	1		
	(.000)	(.000)	(.000)			
Supervisor Support (SS)	.540**	.482**	.528**	.500**	1	
	(.000)	(.000)	(.000)	(.000)		
Employee Retention (ER)	.710**	.714**	.695**	.694**	.614**	1
	(.000)	(.000)	(.000)	(.000)	(.000)	

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Appendix-II

Table 4 reveals the correlation test between both dependent and independent variables using correlation coefficient matrix. The correlation analysis shows a significant position link between employee retention and training and development, with a score of 0.710. Likewise, the correlation value of 0.714 between career opportunities and employee retention displays a significant value of 0.000. Therefore, it is clear that there is a significant positive link ($P<0.05$) between career opportunities and employee retention, also there is a strong positive connection ($P<0.05$) between work-life balance and employee retention, as seen by the correlation value of 0.695 between the two variables, which has a significant value of 0.000. Comparably, the correlation coefficient between pay and benefits and employee retention is 0.694, with a significant value of 0.000. This indicates that there is a strong positive relationship

between pay and benefits and employee retention (P< 0.05). Finally, there is a significant position link (P<0.05) between supervisor support and staff retention, as the correlation value between the two is 0.614, with a significant value of 0.000.

4.1.4 Multiple Regression Analysis

It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable (employee retention among employees in Nepalese manufacturing companies) and independent variables (training & development, career opportunities, work life balance, compensation & benefit and supervisor support).

Table 5

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.866[a]	.750	.747	.39875

a. Predictors: (Constant), SS, CO, WLB, CB, TD

Source: Appendix-III

The R square is 0.750. The implication therefore is that, 75.00 percent of the variation or change in the dependent variable (employee retention) is explained by the independent variables (training & development, career opportunities, work life balance, compensation & benefit and supervisor support). In this study, the R statistic is 0.866, indicated that there is strong relationship between study variables. This implies that the employee retention was highly influenced by its independent variables. Standard error of estimate is flawlessly associated with regression analysis.

Table 6

Analysis of Variance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	187.837	5	37.567	236.266	.000[b]
	Residual	62.648	394	.159		
	Total	250.484	399			

a. Dependent Variable: EP
b. Predictors: (Constant), SS, CO, WLB, CB, TD

Source: Appendix-III

An analysis using ANOVA (F-value) suggests that the influence of dependent variables may be explained by the greatest number of potential combinations of predictor variables. Findings indicate that the staff retention indicator has a major influence. The F-values of 236.266 ($p = 0.000 < 0.05$) for supervisor support, work-life balance, compensation & benefits, training & development, and career opportunities as a proxy for employee retention indicate a strong correlation between the independent variables and the dependent variable, or employee retention.

Table 7

Regression Coefficient of Independent Variables on Employee Retention

Variables	Coefficients	t-statistics	p-value	Collinearity Statistics	
				Tolerance	VIF
(Constant)	-.389	-3.096	.002		
Training & Development (TD)	.187	5.238	.000	.450	2.225
Career Opportunities (CO)	.221	5.950	.000	.461	2.169
Work Life Balance (WLB)	.304	8.950	.000	.599	1.669
Compensation & Benefit (CB)	.254	7.520	.000	.560	1.787
Supervisor support (SS)	.125	3.706	.000	.597	1.674

a. Dependent Variable: ER

Source: Appendix-III

Table 7 presents the regression coefficient of training & development, career opportunities, work life balance, compensation & benefit and supervisor support of companies' employees and the intercept value of dependent variable employee retention. The training and development regression coefficient (β) is 0.187. The research shows that a one unit increase in training and development would result in a 0.187 unit increase in employee retention. At the five percent significance level, training and development is statistically significant, as indicated by its p value of 0.000. Hence, this is significant positive effect of training & development on employee retention in companies. The career opportunities regression coefficient (β) is 0.221. The data suggests that a one-unit increase in career opportunities corresponds to a 0.221-unit increase in employee retention in organizations. Additionally, the p value of career opportunities is 0.000, indicating statistical significance at the five percent significance level. Hence, this is significant positive effect of career opportunities on employee retention.

The coefficient of regression (β) for work-life balance is 0.304. Based on the findings, an increase of one unit in work-life balance would lead to a 0.304-unit rise in employee retention. Furthermore, at the five percent significance level, the work-life balance p value of 0.000 demonstrates statistical significance. Hence, this is significant positive effect of work life balance on employee retention in companies. The compensation and benefit coefficient of regression (β) is 0.254. Employee retention would improve by 0.254 units if every pay and benefit increased by one, according to this data. The compensation and benefit's p value of 0.000 shows that it is statistically significant at the five percent significance level. Hence, compensation & benefit has significant positive impact on employee retention. The coefficient of regression (β) for supervisor help is 0.125. The data shows that a one increase in supervisor assistance would result in a 0.125 unit improvement in employee retention. At the five percent significance level, the supervisor support's p value of 0.000 indicates that it is statistically significant. Hence, this is significant positive effect of supervisor support on employee retention in companies.

4.2 Discussion

The general objective of the study is to investigate the factor affecting employee retention in manufacturing companies in Nepal. This study used employee retention as dependent variable and training and development, career opportunities, work life balance, compensation and benefit and supervisor support. This study found that employee agreed that supervisor support and work life balance factor highly affects their retention and they believe that their retention was also high.

The correlation analysis found that there was significant positive relationship between training and development and employees' retention of manufacturing companies in Nepal which is similar with the finding of Umamaheswari and Krishnan (2015). At the same time, this is also consistent with the finding of Chalise (2019); Khan et al. (2020) which observed that training & development has significant positive relationship between with employees' retention. Likewise, this is also similar with the finding of Akther and Tariq (2020); Enu-Kwesi et al. (2014); Kakara, Raziqb and Khan (2017); Elsafty and Oraby (2022) but opposite to the finding of Ng et al. (2019). Similarly, career opportunities have statistically significant positive relationship with employee retention. This finding is similar with the finding of Chalice (2019); Khan

et al. (2020) mentioned that career opportunities have significant positive relationship between with employee retention. There is also consistent with Nasir and Mahmood (2016); Khatun et al. (2023). In Nepalese manufacturing firms, there is a favorable and significant correlation between work-life balance and employee retention. The outcome is consistent with Umamaheswari and Krishnan's (2015) and Chalise's (2019) findings, which found a favorable and substantial association between work-life balance and employee retention. The outcome is also in line with Nasir and Mahmood's (2016) findings. The results of Khan et al. (2020), who found that work-life balance has a negligible negative connection with employee retention in the workplace, conflict with this conclusion.

At the meantime, there is compensation & benefit has significant positive relationship with employee retention in Nepalese manufacturing companies. The result with similar with the prior study of Nasir and Mahmood (2016) revealed that reward recognition has significant positive relationship with employee retention. The finding is also similar with Enu-Kwesi et al. (2014); Khatun et al. (2023); Kakara, Raziqb and Khan (2017); Khan et al. (2020). Addition to this, this study also line with the prior study of Akther and Tariq (2020) mentioned that employee benefit had significant positive relationship with job retention. Moreover, there is significant positive relationship between supervisor support and employees' retention in Nepalese manufacturing companies which is similar with the previous study of Umamaheswari and Krishnan (2015) revealed that supervisor support has significant positive relationship with employee retention. This finding is also similar with prior study of Nasir and Mahmood (2016).

The multiple regression analysis revealed that there is significant positive effect of training and development on employee retention of manufacturing companies in Nepal which is consistent with the finding of Chalise (2019). This finding is also similar with the finding of Akther and Tariq (2020); Kakara, Raziqb and Khan (2017). However, it contradicts with the prior study of Ng et al. (2019). Similarly, the influence of career opportunities on employee retention is significant positive in Nepalese manufacturing companies. This is consistent with the finding of Prabusankar (2017); Chalise (2019). This finding is also similar with the finding of Chaudhary (2019) mentioned that the effect of career growth and development on

employee retention is significant positive. The out is also similar with Khatun et al. (2023).

Similarly, the effect of work life balance on employee retention is significant positive of manufacturing companies in Nepal which is similar with the finding of Chalise (2019) concluded that work life balance has significant positive impact on employee retention. At the same time, there is significant positive impact of compensation and benefit on employee retention of manufacturing companies in Nepal. This finding is consistent with the finding of Makhdoom (2017); Chaudhary (2019). Then, this study also similar with the previous study of Akther and Tariq (2020) concluded that employee benefit had significant positive effect on emplouee retention. The finding is also similar with Khatun et al. (2023); Kakara, Raziqb and Khan (2017); Dwomoh and Frempong (2017). Moreover, there is significant positive effect of supervisor support on employee retention of manufacturing companies in Nepal which is similar with the previous study of Umamaheswari and Krishnan (2015) concluded that supervisor support or managerial support has significant positive impact on employee retention of manufacturing companies in Nepal.

CHAPTER – V
SUMMARY AND CONCLUSION

5.1 Summary

The ability of a company to retain skilled employees for as long as feasible while reducing turnover is known as employee retention. Retaining key personnel is the biggest challenge facing every business, since they are vital to the sustained prosperity of the enterprise. While the concept of staff retention is straightforward, actually attaining it may be challenging. Companies that are successful in inspiring their present employees to put in more effort do so by establishing a work environment that lives up to their high standards through policies and procedures. Retaining personnel benefits all parties involved, including the company and the workers. For a business, finding qualified candidates is essential, but keeping current staff members is far more critical than recruiting new ones.

The general objective of the study is to investigate the factor affecting employee retention in manufacturing companies in Nepal. The specific objectives of this study are to analyze relation between training and development and employee retention in Nepalese manufacturing companies, to identify relation between career opportunities and employee retention and to evaluate the impact of work life balance, compensation and benefit and supervisor support on employee retention of in Nepalese manufacturing companies. This study is based on descriptive research design and causal-comparative research design to deal with fundamental issues associated with the factor affecting employee retention in Nepalese manufacturing companies. This study adopts descriptive research design to analyze the level and characteristics of factors and employee retention in Nepalese manufacturing companies. Causal-comparative design is used to find the cause and effect of relationship between different factors and employee retention. There are all together 118 manufacturing companies operating in Nepal so far. So, all the employees of manufacturing companies are the total population. Survey questions were manually distributed at manufacturing companies employee in Kathmandu Valley to generate responses from varied response group. Out of 480 distributed questionnaires, valid responses were received from 400 respondents. Therefore, the sample size of the study is 400. In this study, descriptive analysis, correlation analysis and multiple regressions are applied

by using SPSS version 26. This study used employee retention as dependent variable and training and development, career opportunities, work life balance, compensation and benefit and supervisor support.

This study found that employee agreed that supervisor support and work life balance factor highly affects their retention and they believe that their retention was also high. The correlation analysis shows that the correlation analysis reveals that training & development and career opportunities have significant positive relationship with employee retention. At the same time, there is significant positive association between work life balance and employee retention. Similarly, correlation value between compensation & benefit and the employee retention is significant positive. Moreover, correlation value between supervisor support and the employee retention is significant positive. The regression analysis shows that there is significant positive effect of training & development and career opportunities on employee retention. Then, there is also significant positive effect of work life balance on employee retention in companies. At the meantime, compensation & benefit has significant positive impact on employee performance. Finally, supervisor support has significant positive effect on employee retention in companies. However, all the factors have significant impact on employee retention in Nepalese manufacturing companies in Nepal.

5.2 Conclusion

Based on facts, it is determined that all organizations must focus on employee job retention in order to meet predetermined goals and ensure that workers fulfill their responsibilities. It can be inferred that participants who are male are more inclined to offer advice on manufacturing organizations' efforts to retain employees. The workers in the manufacturing companies in Nepal were young, active, and had high needs, which could lead them to look for other sources of income if regulations weren't followed correctly. If given the right management, this age group could undoubtedly be helpful and productive for a considerable amount of time. The results reveal that most of the respondents who were questioned could read and comprehend the questionnaires that were utilized in this investigation. As a result, the respondents were able to give accurate responses and demonstrated their understanding of employee retention in Nepalese manufacturing firms. According to the study's findings, the majority of the employees had sufficient experience to do their jobs well.

The correlation analysis concluded that the correlation analysis reveals that training & development and career opportunities have significant positive relationship with employee retention. At the same time, there is significant positive association between work life balance and employee retention. Similarly, correlation value between compensation & benefit and the employee retention is significant positive. Moreover, correlation value between supervisor support and the employee retention is significant positive.

The multiple regression analysis concluded that there is significant positive effect of training & development and career opportunities on employee retention. Then, there is also significant positive effect of work life balance on employee retention in companies. At the meantime, compensation & benefit has significant positive impact on employee performance. Finally, supervisor support has significant positive effect on employee retention in manufacturing companies. Therefore, all the factors are important for employee retention of manufacturing companies in Nepal because these factors have significant impact.

5.3 Implications

On the basis of above summary and conclusion, following implications are made;

- The finding shows that training and development, career opportunities, work life balance, compensation and benefit and supervisor support that have the more significant positive influence on employee retention. This finding provides information to human resources managers and policy makers in crafting strategies of employee retention and addressing turnover issues.
- Managers of the manufacturing companies will benefit from this study by having a better understanding of the elements that affect employee retention, which will help them create more strategies that work.
- This study can provide some of the most recent information, facts, and issues about the factors influencing employee retention. This study is important for owners, creditors, debtors, future researchers, and students as a result.
- This study offers knowledge and a comprehensive conceptual understanding of employee retention. So, this study also useful for future researcher as a source.

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APPENDICES

APPENDIX-I

Descriptive Analysis

	N	Mean	Std. Deviation
TD1	400	3.7325	1.18721
TD2	400	3.8925	1.06479
TD3	400	3.8225	1.04581
TD4	400	3.8575	1.04159
CO1	400	3.8025	1.03012
CO2	400	3.8575	1.02216
CO3	400	3.7825	1.14388
CO4	400	3.7975	1.09978
WLB1	400	3.9150	.87446
WLB2	400	3.8550	1.03035
WLB3	400	3.8025	1.03981
WLB4	400	3.8575	.96930
CB1	400	3.7675	1.11874
CB2	400	3.8500	1.05370
CB3	400	3.8450	1.09498
CB4	400	3.8575	1.00982
SS1	400	3.8200	1.03454
SS2	400	3.9350	1.01900
SS3	400	3.8275	1.00012
SS4	400	3.8675	1.02839
ER1	400	3.7075	1.12700
ER2	400	3.8200	1.00255
ER3	400	3.8575	.99985
ER4	400	3.7900	1.12430
Valid N (listwise)	400		

Source: SPSS version 26

Descriptive Summary of Variables

	N	Minimum	Maximum	Mean	Std. Deviation
TD	400	1.00	5.00	3.8262	.83610
CO	400	1.00	5.00	3.8100	.79225
WLB	400	1.00	5.00	3.8575	.75883
CB	400	1.00	5.00	3.8300	.79047
SS	400	1.00	5.00	3.8625	.76673
ER	400	1.00	5.00	3.7937	.79233
Valid N (listwise)	400				

Source: SPSS version 26

APPENDIX-II

Correlations

		TD	CO	WLB	CB	SS	ER
TD	Pearson Correlation	1	.678**	.525**	.574**	.540**	.710**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	400	400	400	400	400	400
CO	Pearson Correlation	.678**	1	.526**	.586**	.482**	.714**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	400	400	400	400	400	400
WLB	Pearson Correlation	.525**	.526**	1	.476**	.528**	.695**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	400	400	400	400	400	400
CB	Pearson Correlation	.574**	.586**	.476**	1	.500**	.694**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	400	400	400	400	400	400
SS	Pearson Correlation	.540**	.482**	.528**	.500**	1	.614**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	400	400	400	400	400	400
ER	Pearson Correlation	.710**	.714**	.695**	.694**	.614**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	400	400	400	400	400	400

**. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS version 26

APPENDIX-III

Multiple Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.866[a]	.750	.747	.39875

a. Predictors: (Constant), SS, CO, WLB, CB, TD

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	187.837	5	37.567	236.266	.000[b]
	Residual	62.648	394	.159		
	Total	250.484	399			

a. Dependent Variable: ER

b. Predictors: (Constant), SS, CO, WLB, CB, TD

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.389	.126		-3.096	.002		
	TD	.187	.036	.197	5.238	.000	.450	2.225
	CO	.221	.037	.221	5.950	.000	.461	2.169
	WLB	.304	.034	.291	8.950	.000	.599	1.669
	CB	.254	.034	.253	7.520	.000	.560	1.787
	SS	.125	.034	.121	3.706	.000	.597	1.674

a. Dependent Variable: ER

Source: SPSS version 26

APPENDIX-IV

Questionnaire

Dear Madam/Sir,

I would be very much appreciating your participation in this survey. Participation in this survey is voluntary and you can choose not to answer all of the questions. However, we hope that you will participate in this survey since your views are important for reform measures.

Part 1 Demographic Information

Please tick the correct answer (v)

1. Please specify your gender?

Options	Choose that applies
Male	
Female	

2. Which age group do you belong to?

Options	Choose that applies
20-29	
30-39	
40 and above	

3. What is your Academic Qualification?

Options	Choose that applies
Bachelor	
Masters/PHD	

4. How is your work experience?

Options	Choose that applies
0-2 yrs	
3-6 yrs	
More than 6 yrs	

Part 2: In this part of the questionnaire, there are questions that are related issues of factor affecting employee retention.

Please, indicate the extent to which you agree/disagree by ticking the appropriate boxes below. Please tick (√) on your answer in the appropriate box.

5 =Strongly Agree; 4= Agree; 3= Neutral; 2= Disagree; 1= Strongly Disagree

S. N.	Items	Responses				
5.	**Training & Development**	1	2	3	4	5
5.1	Our organizations enable us to improve our skills, knowledge and attitude by providing training opportunities.					
5.2	Our organization provides us opportunities for ongoing professional development.					
5.3	Our organization supports us to develop career in higher posts by providing training opportunities.					
5.4	The training and development program offered by our organization fosters a strong sense of teamwork among employees.					
6.	**Career Opportunities**					
6.1	Our organization offers us opportunities to learn and engage in diversified types of work.					
6.2	Our organization ensures that all employees have equal opportunities for promotion.					
6.3	Our organization effectively satisfies us with the range of career advancement opportunities available.					
6.4	Our organization is committed to providing us with abundant opportunities for professional development.					
7.	**Work Life Balance**					
7.1	Our organization enables us to effectively balance our roles in both family and work life.					
7.2	Our job efficiency remains unaffected by the demands of family life.					
7.3	The leave policy of our organization empowers us to maintain efficiency while attending to my personal life responsibilities.					
7.4	Our organization offers maternity and paternity leaves as part of its employee benefits package.					
8.	**Compensation & Benefit**					
8.1	Our organization motivates us in our work through a competitive and respectable salary.					
8.2	The insurance package provided by our organization offers a comprehensive coverage plan, ensuring adequate protection for us.					
8.3	Our organization ensures our satisfaction with its retirement benefits package.					
8.4	Our organization rewards us with a bonus as a form of recognition.					
9.	**Supervisor Support**					
9.1	My supervisor actively listens to my suggestions.					
9.2	My supervisor supports and encourages staff even when things go wrong.					
9.3	My supervisor guides us without giving pressure					
9.4	My supervisor gives me complete freedom to solve problems on my way					
10.	**Employee Retention**					
10.1	I enjoy working in this company and wish to continue doing so.					
10.2	I foresee a highly promising and prosperous future for myself within this company.					
10.3	I am truly happy working in this company.					
10.4	I highly recommend my colleagues to join this company.					

Thank You

FACTORS AFFECTING EMPLOYEE RETENTION IN NEPALES...

By: Sujata Timilsina

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ABSTRACT This study examines the factor affecting employee retention in manufacturing companies in Nepal.

This study is based on descriptive research design and causal- comparative research design 3

. 400 employees or respondents are taken as a sample of

the study. Correlation and regression analysis is used to analyze the data . This **study** found **that** 3

employee agreed that supervisor support and work life balance factor highly affects their retention and they believe that their retention was also high. The correlation analysis shows that the correlation analysis reveals that training & development and career opportunities have significant positive relationship with employee retention. At the same time,

there is significant positive association **between work life balance and employee retention** 2

. Similarly, correlation value between compensation & benefit and the employee retention is significant positive. Moreover, correlation value between supervisor support and the employee retention is significant positive. The regression analysis shows that there is significant positive effect of training & development and career opportunities on employee retention. Then, there is also significant positive effect of work life balance on employee retention in companies. At the meantime, compensation & benefit has

significant positive impact on employee performance . Finally, supervisor support **has significant** positive effect **on employee** 9

retention in companies. However, all the factors have significant impact on employee retention in Nepalese manufacturing companies in Nepal. Keywords: Employees retention, training & development, career opportunities, supervisor support and work life balance. CHAPTER - I INTRODUCTION 1.1 Background of the Study It has been demonstrated that employee retention is essential for an organization to expand and achieve its goals, particularly when trying to outperform competitors in a time of increasing globalization. Trade agreements, global economic conditions, technological breakthroughs, and other issues are now directly affecting the working relationship between an employer and employee. The result is high employee turnover rates, which impact a business's capacity to retain people. In addition to adding barriers to retention, excellent personnel may depart a company due to dissatisfaction, underpayment, or lack of motivation,