



RELATIONSHIPS BETWEEN TRAINING AND DEVELOPMENT, FLEXIBLE WORK ENVIRONMENT AND EMPLOYEE RETENTION IN BANKS.

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Abstract: The most precious asset to an institute is its employee, so retaining employees in their jobs is necessary for all organizations. Employee's retention is considered as vital source of achieving competitive edge in the market place. This research investigates the relationship of human resource management practices (Training and development, and flexible work environment) on the retention of employees in banks within the metropolis of Bauchi. The research design used for this study is the survey method. Questionnaire was administered to the senior and mid-level bank staff to gather information from banks when compiling the survey population because they are in the better position to provide the researcher with the needed information. The study found a positive significant relationship between training and development, flexible work environment and employee retention. As a conclusion, HRM practices play a key role in attracting, motivating, rewarding and retaining employees. Therefore, it is recommended that organization should endeavor to strictly adhere to these practices (Training and development and flexible work environment) to advance employee retention.

Keyword: Employee retention, training and development, flexible work environment.

1. Introduction

Employees are the backbone of an entity and their existence and retention in the organization should be the concern of the establishment (Dogonyaro, Pikitda, & Comfor, 2021). Many foreign organizations especially in western countries offer better rewards than in Africa therefore, many of Africa's employees have been contemplating going overseas This brain drain is a problem that must be resolved (Rakhira, 2018). Retention of the employees is a broad concept, and lots of companies look serious in this provision to maintain a healthy output with their employees (Dogonyaro et al., 2021). In addition, employee retention is directly related to the policies developed and implemented

by the organization. It is therefore important that the organization offers its employees tools and remuneration that can significantly meet their needs professionally and ethically.

Employee retention aims to help the organization achieve its strategic goals by determining the reasons for employees leaving the organization and factors leading to increased employee dissatisfaction, which can directly or indirectly help retain dedicated and loyal employees (Dogonyaro et al., 2021). When the retention rate is appropriate, business knowledge, experience, and long-term relationships, as well as knowledge of the organization, lead to competitive advantage, increased market share, trigger workforce loyalty, and customer satisfaction (Dhanya & Prashath, 2019). The essential aspect of employee retention, however, is to prevent those most talented from leaving.

Training and development are necessary for the retention of employees at all levels because the skills will wear out and become obsolete over some time and must be updated (Mohammad & Anto, 2020). In an increasingly globalized work environment, business organizations need to acquire educated and trained employees who can adapt quickly to their ever-changing jobs, where new business needs have arisen. Therefore, organizations investing in training and development can gain a competitive advantage compared to their counterparts with no training programs (Osewe & Gindicha, 2021). Again, Osewe and Gindicha (2021) opined that training and development are associated with on-the-job skills needed for a particular role.

More organizations have begun to offer flexible work environments to meet the changing needs of the workforce and to respond to the increasingly competitive and volatile economic conditions (Choi, 2020). Scholars have consistently reflected on the need for a flexible work environment for past decades. The basic understanding is that flexible work structures allow a company to control its workers and adjust them towards work accomplishments (Baridula et al., 2021). Flexibility, from the employee's viewpoint means having the right to choose where to work, for how long, and the boss to work with. Idowu (2020) argued that a flexible work environment, such as leave or a change in working hours, offers an opportunity to align the individual's needs with those of the needs of the workplace.

This research therefore, investigates the relationship Training and development, flexible work environment and retention of employees in banks within the metropolis of Bauchi.

2. Literature Review

2.1 Conceptual Review

Employee Retention

Employee retention can be defined as the practice that organizations use to prevent valuable employees from leaving their jobs (Abba, 2017). Employee retention refers to a company's willingness to keep its employees. Customer preference, classification, dedication, confidence, desire to recommend, and repurchase goal are all new notions for the concept of retention (Baridula, 2021). Corporate culture, connectivity, planning, salary and rewards, flexible work schedules, and preparatory and professional advancement programs are all elements that affect retention, according to the study. Employee retention, in particular, improves consistency and connects employees' daily experiences in firms to the organization's critical performance factors.

A simple statistic can be used to indicate employee retention. For example, an 80 percent retention rate indicates that a firm kept 80 percent of its employees over a particular period, indicating that employee retention was achieved. Many people think of employee retention as the efforts made by businesses to keep their staff on the job. It is not the effort that counts, but the actual number of successful employees retained in the business, which much outnumbers the number of employees that leave in a given period. Employee retention is a challenging notion to grasp because there is no one-size-fits-all solution. Literature defines retention as a firm's ongoing commitment to conducting business with it (Baridula, 2021).

An organization's voluntary attempt to establish a suitable atmosphere that engages personnel for the long term is known as retention (De Sousa et al., 2018). Employee retention policies are designed to find and keep loyal employees. Employee retention can be aided through innovative and inclusive programs, as well as good supervisors. The ability of business executives to understand how to retain and encourage employees is important to the success of any company (Schuler, 2015). The ability of an organization to retain its personnel is referred to as employee retention (Fernandez & Worasuwan, 2017).

Some aspects of employee retention have been found by researchers. Engagement with a pleasant working environment, positive working relationships, inspiring leadership, training and development, excellent remuneration, organizational policies, and management's concern for employee well-being are all factors that contribute to employee retention (Ruiz & Davis, 2017). Employees who are motivated help businesses achieve their goals and make a profit. Employees are responsible for providing exceptional service to consumers; hence the success of any hotel industry is dependent on them (Bangwal & Tiwari, 2019). Employers should deliver a signature experience to their employees to build a loyal workforce that will stay with them throughout their careers.

Executives have realized the need of maintaining top-notch personnel as a result of the impact of employee turnover. For a company to succeed, it must attract, develop, and retain the best personnel (Rose & Raja, 2016). Training and development, career prospects, supervisor support, job features, work/life balance, and salary are all retention

considerations. The retention of satisfied and committed personnel is critical to the company's success (Karatepe & Magaji, 2008). Employee retention is important since it saves money on training and development.

Training and Development

Training is a key aspect of human resource management; it is becoming increasingly vital to improve employee activities and support them in terms of their physical abilities and ways of thinking about subjects and ideas to increase productivity (Anwar & Abdullah, 2021). Humans (Demir et al., 2020) are considered very important of this resource that is most dependable if you train them well and effectively. Training and development are basic structures to a rewarding organization, the existence and continuation of an organization depend on these (Gardi et al., 2020), that cannot be withdrawn or left behind and is visible in every time and area, to provide the needed information and give them continuous feedback about Humans in an informal manner (Demir et al., 2020; Top & Ali, 2021). The extent to which better-performing products are achieved is inextricably tied to the abilities and efforts of working individuals. Although many modern and new technologies are used in industrialized countries, human resources do not disappear, and this is a hot topic of controversy (Prabhu et al., 2020).

As a general rule, training and development can reveal hidden skills and maximize their utilization to help the company become more effective (Anwar & Shukur, 2015), Training and development work together to improve the information provided, skills, and the way people think to produce a result that can affect the organization and motivate the employer to enter a competitive state (Sultan et al., 2020). It's also important to note that selecting the right training method is critical, to benefit the employees and the organization's progress (Abdullah & Othman, 2015). We may also claim that training is a fundamental component of any organization, as numerous authors acknowledged in their research (Gardi, 2021). Training is a fruitful medium for the graduation of many competent individuals, not only to train the workers physically and mentally for the sake of the organization but also to train the workers mentally and physically for the sake of the organization (Ismael et al., 2021).

Training is defined as education and instructions given to an employee at any moment to improve their existing level of skills and knowledge to achieve a better result (Anwar & Abd Zebari, 2015). Employees cannot conduct their firm properly and consistently without effective training (Anwar & Surarchith, 2015). In other words, training is a set of activities provided to employees to modify their way of thinking and current knowledge about specific topics (Othman et al., 2019), as well as to improve individual abilities and performance to meet the organization's needs (Khan & Abdullah, 2019).

A well-organized training system is a foundation for critical abilities needed to perform a variety of activities (Othman et al., 2019) and employee motivation (Anwar, 2017). Each training activity should be provided as needed (Ali, 2021), arranged systematically, and updated (Ali, 2020); the training program should also include people with direct managerial responsibilities to incorporate human resource management practices into the process (Ali, 2020; Anwar, 2016).

Material, social, intellectual, and mental training can all be used to increase employees and production in any firm (Abdulla et al., 2017). As a result, training must be tailored to the connections of school administrators (Anwar & Balcioglu, 2016). Knowledge acquisition, which includes ability, skill (Andavar et al., 2020), comprehension, and information, is required for the successful and efficient performance of each individual's functions (Abdullah & Abdul Rahman, 2015). Machines, materials, and cash are important, but nothing compares to human resources; without human intervention, no action can be accomplished. Employees, for a specific activity or job, require the development of knowledge, abilities, and attitudes that emerge from structured training. According to (Hameed & Anwar, 2018; Damit et al., 2019), this can be done in a variety of ways, both within and outside of the workplace and during business hours. Staff training and development, according to Anwar and Ghafoor (2017), can help a business increase its overall performance and profitability (Prabhu et al., 2020).

Flexible Work Environment

Jain and Kaur (2014) stated that the work environment involves all the physical, psychological, and social aspects which act and react on the body and mind of an employee. Other scholars such as Markey, et al. (2012), expressed that, the work environment encompasses the physical aspects, psycho-social and organizational surroundings of work but does not focus on individual employee or job characteristics. According to the concept of work environment, the project can be broken down into work environment characteristics such as communication, stress, high efficiency, creativity, honesty, accountability, relationships, managerial relationships, job discipline, easy management, job evaluation, performance, conditions responsibilities for work, supervision, job security, self-employment, organizational reputation, law, regulation, etc. The characteristics of this work can affect the retention of employees in an organization. This puts pressure on organizations to ensure that there is a good work environment in place to keep employees away.

Thus, these attributes can be selected and used to measure design. Herzberg's (1966) two-factor theory provided a theoretical background for this study as the factor, that is, the work environment was borrowed from the theory. The assumption that there is something in the workplace that leads to job satisfaction (and motivation) at different times

of the event leads to dissatisfaction. According to Herzberg's (1966) two-factor theory, the motivation of employees at the workplace would occur only as a result of the use of motivators such as achievement, responsibility, the work itself, recognition, advancement, and growth. This is contrasted with the second group of factors called hygiene factors, such as corporate policy and administration, interpersonal relationships, pay, supervision, reliability, and working conditions, as the application of these factors in the workplace does not motivate or satisfy employees. This would instead result in a neutral state (Herzberg, 1966). Although Herzberg is a two-factor motivational theory developed to examine employee motivation in the workplace, this theory was considered important in examining employee retention.

The relevance of this theory was based on evidence from the empirical literature (Motlou & Karodia, 2016; Waweru & Kagiri, 2018) that when employees are motivated or satisfied at work, they are likely to stay in the organization. Several empirical studies (Thirupathy & Dhayalan, 2016; Chen, et al., 2017) have well evidenced the applicability of Herzberg's (1966) two-factor theory in studying employee retention. For example, Chen, et al. (2017) studied employee retention in Malaysia using Herzberg two factor theory and indicated pay and compensation, and career advancement as important predictors that influenced employee retention. Adzei and Atinga (2012) who applied Herzberg two factor theories to study the link between motivation and employee retention, indicated a strong link between the two. The study by Oyagi and Kembu (2014) in Tanzania grounded on Herzberg two factor theory found that motivational variables like work environment have a positive and significant influence on retention of academic staff. This theory has thus helped to study the impact of the working environment on the retention of workers in banking institutions in the Dares Salaam region.

2.2 Theoretical Review

Social Exchange Theory (SET) is used in the current study, it was developed originally by Thibaut and Kelley in 1959, and has been utilized increasingly as a theoretical base of turnover and retention research to comprehend the employer and employee relationship (Coyle-Shapiro & Conway, 2005). SET postulated that good acts and performances must be reciprocated (Blau, 1964). According to Mossholder, Settoon, and Henagan (2005), the SET suggests that a person who feels that he/she gets benefits (training and development and flexible work environment) from someone will feel obligated to repay or compensate through positive behaviors, attitudes, efforts, and devotion (employee retention). Moreover, SET (Blau, 1964) has mentioned that institutions utilize different HRM practices that provide distinct exchange relationships. Furthermore, SET described those employees perform better when they are supported and valued by the organization (Eisenberger et al., 2001).

In the study of management today, SET's most popular term for research is the concept of workplace relationships (e.g., Shore, Tetrick, & Barksdale, 1999; Shore et al., 2004). This model of SET stipulates that certain workplace antecedents lead to interpersonal connections, referred to as social exchange relationships (Cropanzano, Byrne, Bobocel, & Rupp, 2001). In other words, this study postulate training and development and flexible work environment as benefits derived by employee and employee in exchange pay employer by staying with the organization for a long term. The model in fig. 1 depicts the relationship between training and development, flexible work environment and employee retention.

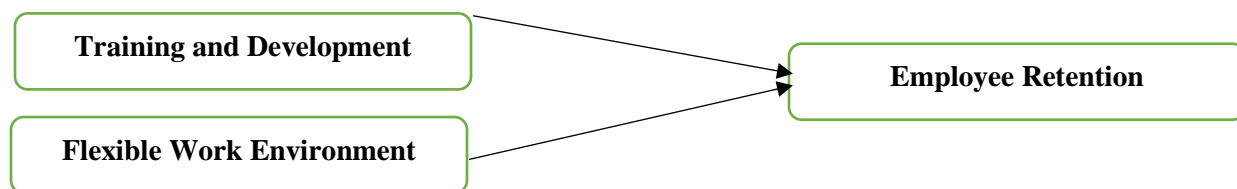


Fig 1
Model for the Study

2.3 Empirical Review of Related Literature

Training and Development and Employees Retention.

Pallangyo and Hanai's (2020) concluded that T&D attributes have a significant influence on employee retention at the banks and recommends retention policies which are reflecting career planning and growth opportunities as T&D attributes that were valued most by employees.

In a study of staff retention in Kenyan public universities, Nyambura and Kamara (2017) discovered a positive and substantial relationship between T&D and employee retention. Even though numerous empirical studies (Ldama &

Bazza, 2015; Mathimaran & Kumar, 2017) found a substantial link between T&D and employee retention, other studies found the opposite. Umamaheswari and Krishnan (2016), for example, discovered no link between T&D and employee retention in their study on staff retention in India. Imna and Hassan (2015), on the other hand, discovered that in the Maldives retail industry, career development has a favorable and significant impact on employee retention. In a study on human resource practices and employee retention in a Pakistani banking context, Ahmada, et al. (2015) discovered that training opportunities were one of the most important tactics in retaining employees. Terera and Ngirande (2014), on the other hand, found no link between training and staff retention. In a study of employee retention in Pakistan's textile industry, Sohail et al. (2011) discovered a high positive link between career routes and employee retention. When Nasir and Mahmood (2016) investigated the causes of employee retention in Pakistan, they discovered a significant link between career growth and employee retention.

Salman, et al. (2014) conducted a study on the factors that influence employee retention in Pakistan's banking sector and discovered that promotion opportunities, education/training opportunities, and growth prospects all had an impact on employee retention. Francis (2014), on the other hand, used opportunities to upgrade knowledge and skills, opportunities to improve performance, job-related training, and opportunities for professional development when he discovered a significant relationship between T & D and employee retention in Nigeria's manufacturing industries. In a similar vein, Hong, et al. (2012) investigated the impact of T&D on employee retention by measuring factors such as opportunities for higher education, work skills training, quality improvement skills training, mentoring, and career planning. Mutiria, et al. (2015) suggested that training and career advancement had a substantial impact on employee retention at Kenya's Meru University of Science and Technology.

The majority of previous research, as noted above, has found a link between T&D and employee retention. However, varied results from earlier studies on the characteristics of training and development that influenced employee retention could be because each individual's satisfaction level, sensitivity level, perceptions, attitudes, behaviors, and requirements are unique (Zareen et al., 2013). This could imply that further research is needed in various organizational settings to identify specific training and development aspects that influence employee retention. Because the requirements and views of employees concerning training and development that can influence retention are not the same, it may be necessary to look into them deeper.

Flexible Work Environment and Employee Retention

Hanai, (2021) in his study revealed that work environment attributes have a significant influence on employee retention. Long working hours and a lack of efficient communication between employees and employers at work have a substantial impact on employee retention, according to Kanwal and Majid (2013), who researched retention management in the banking sector. Gangwani and Dubey (2016) discovered a positive association between work atmosphere and employee retention. According to Ahmada, et al. (2015), advised to retain staff, management provide more flexible working hours and a safer working environment.

Other researchers Patel and Patel (2014) found that the workplace environment had a major impact on employee retention. Nasir and Mahmood (2016) conclude that work-life balance is linked to employee retention. Roy (2018) discovered a substantial association between work-life balance and employee retention in the Indian banking business. These studies found that several aspects of the work environment influence retention, whereas others found otherwise. This discrepancy in the findings necessitates additional research in the field to determine what factors may have contributed to the discrepancies.

Flexible working hours and a more relevant and challenging work environment were key in keeping personnel, according to Reddy and Govender (2014). Mohamed, et al. (2017) discovered that the work environment influences employee retention in a Sudanese banking context. Work environment all have a favorable and significant impact on employee retention according to Oyagi and Kembu (2014). In a similar vein, Msisiri and Juma (2017) discovered a substantial link between work environment, work-life balance, and recognition, as well as staff retention. According to the findings of these empirical investigations, there is a link between work environment and employee retention.

According to the majority of previous studies described above, there is a link between work environment and employee retention. However, contrasting findings from actual studies have been found, indicating that some work environment qualities, such as performance appraisal, have a negligible impact on employee retention. These contradictory results could be attributed to the fact that each employee's sensitivity, satisfaction, perceptions, attitudes, behaviors, and needs are unique (Zareen et al., 2013). This could imply that additional research is needed into the impact of work environment on employee retention, with a careful selection of indicator variables. This may necessitate a deeper investigation into employee needs, perceptions, sensitivity levels, and satisfaction levels, as these factors can also influence employee retention.

3. Research Methodology

The study examines the relationship of Training and Development and Flexible Work on employee retention in banks within the Bauchi metropolis. A cross-sectional research design was used for this study. This is viewed as the most appropriate for this study as the researcher could not carry out a longitudinal study because of time constraint (Sultan

et al., 2022; Sultan et al., 2017; Sultan & Noor, 2017; Sultan et al., 2018). This is because longitudinal surveys need a longer time to be carried out when compared with cross sectional surveys (Kothari & Garg, 2014). Cross sectional surveys save time and is cost effective (Sekaran & Bougie, 2010), thus the reason why most researchers prefer cross sectional survey to longitudinal survey (Kothari & Garg, 2014). Furthermore, this study fits into the characteristics of survey design, since the instrument for data collection is a questionnaire.

This study employed the use of primary data through questionnaire, the questionnaire was self-administered assisted by research assistants to bank staff at various banks in Bauchi metropolis. The questionnaire was structured based on sections A and B. Section A was used to collect data on demographic distribution of respondents. Section B provided statements on variables of this study. The research focus on senior and middle-level workers of the money deposit Banks within the Bauchi metropolis who are knowledgeable and can express their opinions objectively on the topic under investigation. The Banks involved in the study are all the twenty (20) banks within Bauchi metropolis namely.

The population for the study is three hundred while the sample size will be 169 according to Krejci and Morgan table. However, 30% will be added to the sample size to provide us with a sufficient number as suggested by (Israel, 2013) which in the end the sample size for the study will be 220. The questionnaire used in the study is adapted from previous studies. For the Training and Development (T&D) construct, the research will use the items from Abba (2017) with 7 items. Work-Life Balance will use items of Brough et al. (2014), with 4 items. Employee Retention adapted items from Kundu and Lata (2017) with 3 items. The study however use a five-point Likert scale. Measurement will be 1 = Disagree at all, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = fully agree.

4. Data Analysis

The total of 220 questionnaires were distributed and 194 (88.1%) were retrieved. Data screening was carried out on the retrieved questionnaire out of which 182 (82.7%) were found to be useful. Thus, the analysis was based on 182 questionnaires duly filled and returned which represent (82.7%) of the total questionnaire distributed. This response rate is considered sufficient for statistical reliability and generalization.

Table 4.1
Summary of Responses and Percentage

| Items | No of Copies | Percentage |
|---------------------------------|--------------|------------|
| No of Questionnaire Distributed | 220 | 100 |
| No of Return Questionnaires | 194 | 88.1 |
| No of Useful Questionnaires | 182 | 82.7 |

The response rate and the useful questionnaire for the study is 82.7 percent out of 100 percent; this size is considered adequate for analysis in the current study. This is because it is not necessarily required that researchers must have 100 percent response rate of their sample size for the results to be valid and generalizable (Aminu, 2015). 50 percent response rate is considered adequate for data analysis and reporting, whereas 60 percent is good, and 70 percent is very good considerably (Babbie, 2007). The study response rate is considered as very good with response rate of 82.7 percent.

Demographic Profile of Respondents

In this section, the frequency distribution and percentage of participants are presented based on their demographic characteristics. Particularly, the demographic variables examined in this study include the department of the respondents, rank, educational level, Age, gender and marital status. The frequencies as well as percentages of the participants based on the aforementioned characteristics are presented below.

Table 4.2
Demographic Characteristics of Respondents (n=182)

| Characteristics | Frequency | Percentage | Cumulative Percentage |
|-------------------------|-----------|------------|-----------------------|
| Gender | | | |
| Male | 134 | 73.6 | 73.6 |
| Female | 48 | 26.4 | 100.0 |
| Age Distribution | | | |
| 18-25 | 25 | 13.7 | 13.7 |

| | | | |
|-------------------------|------------------|-------------------|------------------------------|
| 26-35 | 83 | 45.6 | 59.3 |
| 36-45 | 55 | 30.2 | 89.5 |
| Above 45 | 19 | 10.5 | 100.0 |
| Education | Frequency | Percentage | Cumulative Percentage |
| ND | 29 | 15.9 | 15.9 |
| HND/B.Sc./M.A. | 102 | 56.0 | 71.9 |
| Postgraduate | 38 | 20.9 | 92.8 |
| Others | 13 | 7.2 | 100.0 |
| Management Level | Frequency | Percentage | Cumulative Percentage |
| Middle Management | 134 | 73.6 | 73.6 |
| Top Management | 48 | 26.4 | 100.0 |
| Marital Status | Frequency | Percentage | Cumulative Percentage |
| Single | 54 | 29.7 | 29.7 |
| Married | 123 | 67.6 | 97.3 |
| Divorce | 2 | 1.09 | 98.3 |
| Widow | 3 | 1.64 | 100.0 |
| Department | Frequency | Percentage | Cumulative Percentage |
| Human Resource | 9 | 4.9 | 4.9 |
| Audit | 21 | 11.5 | 16.4 |
| Customer Care Unit | 45 | 24.7 | 41.1 |
| Marketing | 76 | 41.7 | 82.8 |
| Others | 31 | 17.2 | 100.0 |

Table 4.2 presents the gender distribution of the sampled respondents. 73.6% of the sampled respondents were males, which show that males were more sampled than females. This indicate that males are more employees in Banks within the Bauchi metropolis. Form the same table, it can be deduced that most of the sampled respondents of this study, are either between the ages of 26-35, constituting 46.5%. 13.7% of the respondents are between the ages of 18-25, 30.2% of the respondents are between the ages of 36-45. While 10.5% of the total respondents are above 45years. It is observed that most of the respondents are between ages 26 to 45.

Next is the academic qualification distribution of sampled respondents. 15.9% are national diploma holders, 56% are respondents that are either first degree holders or are first degree students, 20.9% of the respondents either have a postgraduate certificate or are postgraduate students, while 7.2% hold degrees that are not specified in the study. Most of the respondents of this study are either first degree students or are first degree holders. It is believed that most of the employee in the bank are mostly graduates. Since the research only focus on senior and middle-level workers of the Banks within the Bauchi metropolis who are knowledgeable and can express their opinions objectively on the topic under investigation. 73% of the respondents of the study are in the middle level management category while 26.4% are of the top management category. Therefore, it can be concluded that there are more middle management staff in Bank in Bauchi State Metropolis.

The marital status of respondents is also presented in table 4.3. 29.7% are single, 67.6% are married. This indicate that most of the respondents in the study are married. However, only few percentages of 1.09% and 1.64% are divorce and widow respectively. The department respondents belong o is also analyzed. 4.9% of employees in banks in Bauchi Metropolis belong to the human resource department, 11.5% are in audit, 24.7% belong to the customer care unit, 41% which constitute the higher percentage belong to the marketing department while other who did not specify their department are categorized as others.

Assessment of Measurement Model

The study evaluates the measurement model by assessing the reliability of individual items measuring each latent construct, the internal consistency reliability (i.e., construct reliability), discriminant validity, as well as convergent validity for each of constructs.

Table 4.3

Construct Reliability and Convergent Validity (n=182)

| Construct | Items | Loadings | AVE | CR |
|------------------------|--------------|-----------------|------------|-----------|
| Training & Development | TD1 | 0.941 | 0.705 | 0.826 |
| | TD4 | 0.808 | | |
| | TD5 | 0.733 | | |
| | TD7 | 0.642 | | |

| | | | | |
|--------------------|------|-------|-------|-------|
| Flexible Work Env. | FWE2 | 0.720 | 0.766 | 0.907 |
| | FWE3 | 0.711 | | |
| | FWE4 | 0.661 | | |
| | FWE5 | 0.654 | | |
| Employee Retention | ET1 | 0.959 | 0.690 | 0.869 |
| | ET2 | 0.935 | | |
| | ET3 | 0.856 | | |

Note: AVE represents Average Variance Extracted; CR represents Composite Reliability.

Table 4.3 shows the indicators loading on their intended factors. According to Hair *et al.* (2014), loadings should not be below 0.6, indicators that don't meet the required threshold should be deleted to increase the reliability of the data. Also, Garson, (2016) advised that composite reliability should be greater than 0.7 and average variance extraction should be greater than 0.5. From the table, the composite reliability ranges from 0.826 to 0.907 and the AVE of the variables ranges from 0.679 to 0.766. This implies that the overall reliability measurement of the instrument is acceptable in terms of reliability thus depicting achievement of measurement model.

Table 4.4

Discriminant Validity using Fornell-larcker criterion (n=182)

| Construct | Employee retention | Flexible Work Environment. | Training and Development |
|--------------------|---------------------------|-----------------------------------|---------------------------------|
| Employee Retention | 0.80 | | |
| Flexible Work Env. | 0.27 | 0.68 | |
| Training & Dev. | 0.58 | 0.27 | 0.47 |

Note: The bolded diagonal numbers represent the square root of the AVE of each latent construct

Table 4.4 presents the result of discriminant validity. The number that are bolded represent the square root of AVE of each latent variable. The square roots of all the AVE are higher than their correlation with other latent variable. The AVE of flexible work environment is 0.68. All other correlations below 0.68 are lesser. Similarly, for employee retention, the AVE is 0.80. All other correlations column and row wise are below 0.80. For training and development, having AVE coefficient of 0.47. All other correlations column wise and row wise are below 0.47. Judging by the Fornell-larcker discriminant validity criterion, the data shows discriminant validity (Garson, 2016). Up to this point, the data have undergone testing for factor loadings, convergent validity and discriminant validity, and have met all criteria.

Structural Model

It is important to carry out a bootstrapping analysis to determine the relationship between training and development, flexible work environment on employee retention. Bootstrapping was done by using 5000 subsamples using 182 cases.

Test of Hypotheses for the Relationships

It is important to determine the relationship of training and development, flexible work environment on employee retention. Thus, Table 4.4 is presented.

Table 4.5

Direct Path Coefficient

| Hypotheses | Beta Value | Standard Deviation | T Stat | P Value | Decision |
|-------------------|-------------------|---------------------------|---------------|----------------|-----------------|
| H1 | 0.209 | 0.076 | 2.749 | 0.00** | Supported |
| H2 | 0.209 | 0.108 | 1.928 | 0.05** | Supported |

**p< 0.05

From Table 4.5, it can be deduced that there is a positive significant relationship between training and development and employee retention., significant at beta value (0.209), standard deviation (0.076), T stat (2.749) and P value 0.00<0.05. This means a unit change in training and development will lead to 20.9% change in employee retention. As a result, the H₁ states that there is a significant relationship between training and development and employee retention is supported.

Also, flexible work environment has a significant relationship with employee retention, significant with significant at beta value (0.209), standard deviation (0.108), T stat (1.928) and P value 0.05<0.05. This means a unit change in

flexible work environment will lead to 20.9% change in employee retention. As a result, the H₂ that states that there is a significant relationship between flexible work environment and employee retention is supported.

The R square is 56.1%, meaning 56.1% variance in employee retention is accounted for training and development, and flexible work environment. Thus, this study establishes, that training and development, and flexible work environment explain 56.1% of employee retention while the remaining 43.9% is accounted by other variables not incorporated in the study.

Effect Size of Exogenous Variables

Table 4.6

Effect Size for Direct Relationships

| Construct | <i>f</i> ² | Effect Size |
|------------------------|-----------------------|-------------|
| Training & Development | 0.064 | Small |
| Flexible Work Env. | 0.063 | Small |

The threshold value of 0.02, 0.15 and 0.35 are often used to describe a weak, moderate, and strong coefficient of determination. In this case, specifically, work life balance has the highest relationship on employee retention and therefore is the most important explanatory variable of the model.

Discussion of Findings

The study found a positive significant relationship between training and development and employee retention. This is reaffirming the social exchange theory that suggests that a person who feels that he/she gets benefits from someone will feel obligated to repay or compensate through positive behaviors, attitudes, efforts, and devotion (Coyle-Shapiro & Conway, 2005). In essence when an organization gives training to its employee, they are feeling indebted and want to pay back by staying with the organization. The finding of the study is also consistent with the empirical findings of (Prabhu et al., 2020; Ganeshkumar et al., 2019; Anwar & Abdullah, 2021; Demir et al. 2020) that found training as an important component of an organization. In practical sense training improve employee activities and support them in terms of their physical abilities and ways of thinking about subjects and ideas to increase productivity. The study therefore argued that, it is critical to incorporate training into an organization to direct and lead people to possess the necessary skills and knowledge required to achieve a task. To conclude, training and development work together to improve the information provided, skills, and the way people think to produce a result that can affect the organization and motivate the employer to enter a competitive state. It's also important to note that selecting the right training method is critical, to benefit the employees and the organization's progress.

Also, flexible work environment has a significant relationship with employee retention. Work environment such as physical, psychological, and social aspects react on the body and mind of an employee. This further buttress the social exchange theory that relationships thrive when employers “take care of employees”, which in turn leads to beneficial consequences (Cropanzano, Byrne, Bobocel, & Rupp, 2001). Creating a flexible environment for employee can help build a solid relationship between employee and employer and therefore lead to employee retention. This is also empirically supported by the work of (Zeytinoglu & Denton, 2005; Brenya, 2014) with emphasis that employees expect a good work environment where they can use their skills and meet their basic needs. Therefore, a good working environment is one of the factors that affect employees’ decision to stay with the organization. Workspace design has a profound impact on workers and tend to live with a job as long as satisfied. The study argued that companies with good infrastructure facilities, such as beautifying buildings, managerial offices, and attractive environments, improve the morale of the workers, motivate the employees thus increasing the commitment of the employees.

5. Conclusion and Recommendations

Workforce is a heavyweight component of any organization and therefore employees are always considered as the greatest asset of an organization. Without employees, organizations will not be able to produce business results, achieve organization goals, or meet its financial objectives. Most organizations recognize the importance of human resources in realizing the success of their businesses. A profit-making company may possess the strongest edge, in terms of technology, depth in funding, market location etc., but without its strong workforce to execute their respective roles and responsibilities, the company would not be able to progress to meet any of its business or organizational goals.

Employee's retention is considered as vital source of achieving competitive edge in the market place. Employee's retention is one of the main objectives for all institutions, since the expenditure of training and placement of potential employees is very costly. Most of the studies have revealed that employee's retention is a crucial issue for organizations, thus these organizations use different methods to retain employees. In particular, this study will endeavor to contend how HRM practices are theoretically significant in improving employee's retention, thus adding to the current literature on the part of HRM practices in employee's retention. Moreover, proposing the impact of HRM practices, this study offers theoretical clarification on the association between HRM practices and employee's retention.

As a conclusion, the research results have provided support for the key propositions. Most importantly, this study has succeeded in answering all of the research objectives, which aimed at analyzing the empirical link between HRM practices (i.e., training and development, career advancement opportunities and employee retention, flexible work environment work-life balance) and employee retention. In line with the findings of the study, the following recommendations were made; Banks should increase the number of training and development programme. Training should be organized frequently to help build and improve employee skills, competencies and efficiency to manage organization resources which will aid employee retention. Banks should ensure that there is a good work environment in place to keep employees away from moving from one place to other. Thus, these attributes can go a long way to improve physical, psychological, and social aspects which act and react on the body and mind of an employee.

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