

## A STUDY ON EMPLOYEE ATTRACTION AND RETENTION AT NEXA

Deepak.P<sup>1</sup>, Dr.Brindha.P<sup>2</sup>

<sup>1</sup>II MBA Student, School of Management Studies, Vels Institute of Science, Technology and Advanced Studies (VISTAS), Chennai, Tamil Nadu.

<sup>2</sup>Assistant Professor , School of Management Studies, Vels Institute of Science, Technology and Advanced Studies (VISTAS), Chennai, Tamil Nadu.

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### ABSTRACT

Employee attraction and retention are important aspects that have a significant impact on employee satisfaction, organizational productivity, and long-term business success in the automobile industry. Organizations in this sector face increasing challenges in attracting skilled employees and retaining talented workforce due to competition, changing employee expectations, and career opportunities. In this research, the employee attraction and retention strategies followed at NEXA are discussed. The organization operates in the premium automobile retail segment and focuses on delivering quality customer service and employee development practices. A descriptive research approach was applied in this study, and data were collected through questionnaires distributed to 100 respondents. The statistical methods applied include Descriptive Statistics, Correlation Analysis, Regression Analysis, One-Way ANOVA, and Independent Sample T-test. The results indicate that HR practices such as training and development, employee engagement, compensation, recognition, and job satisfaction positively influence employee attraction and retention. However, certain areas such as employee engagement activities, communication systems, and career development opportunities require further improvement to enhance overall employee satisfaction and long-term retention.

**Keywords** Employee Attraction, Employee Retention, Human Resource Management, Employee Engagement, Job Satisfaction, Training and Development, Compensation and Benefits, Work Environment, Career Growth, Organizational Commitment, Recruitment Strategies, Employee Motivation, Talent Management, Workforce Retention, Automobile Industry, NEXA.

### 1. INTRODUCTION

The automobile industry is one of the most important and fast-growing industries worldwide, playing a significant role in economic development, employment generation, and customer mobility. In India, the automobile sector has experienced rapid growth due to technological advancements, increasing customer demand, and expansion of premium vehicle segments. The rise in competition within this industry has increased the need for organizations to attract skilled employees and retain talented workforce to maintain operational efficiency and customer satisfaction.

Employee attraction and retention have become major challenges for organizations in the automobile sector. Employees expect competitive salaries, career growth opportunities, job security, training and development, positive work culture, and work-life balance. If these expectations are not properly managed, organizations may face high employee turnover, reduced productivity, low morale, and increased recruitment costs. Therefore, employee attraction and retention strategies have become essential for ensuring organizational stability and long-term success.

Employee attraction and retention strategies include recruitment and selection practices, employer branding, compensation and benefits, employee engagement, training and development, performance recognition, career advancement opportunities, and maintaining a supportive work environment. Organizations that focus on these HR practices not only improve employee satisfaction and loyalty but also enhance productivity, organizational commitment, and overall business performance.

NEXA, the premium retail channel of Maruti Suzuki, focuses on delivering superior customer experience through quality service and professional workforce management. The organization emphasizes employee development, customer relationship management, and continuous improvement in HR practices. In this context, this research examines the employee attraction and retention strategies followed at NEXA by assessing employee satisfaction, engagement, management support, training effectiveness, and other areas requiring improvement for better workforce retention and organizational growth.

### 2. RESEARCH GAP

The topic of employee attraction and retention has been widely researched across various industries such as Information Technology, Banking, Healthcare, Manufacturing, and Hospitality. Most existing studies mainly focus on

general Human Resource practices, employee motivation, job satisfaction, compensation, organizational commitment, employer branding, and employee engagement strategies as factors influencing employee retention, particularly in large multinational organizations. However, there is limited research specifically related to employee attraction and retention strategies in the automobile retail sector, especially in premium automobile showrooms like NEXA in the Indian context. Most previous studies are theoretical in nature and do not provide detailed analysis regarding the practical implementation of HR strategies at both organizational and employee levels. In addition, much of the literature examines HR factors individually rather than analyzing the combined impact of recruitment practices, compensation, training and development, work environment, employee engagement, recognition, and career growth opportunities on employee retention. There is also a lack of organization-specific studies that evaluate employee perception regarding HR practices, management support, job satisfaction, and long-term commitment within a particular automobile organization. Furthermore, limited attention has been given to analyzing demographic differences such as gender, age group, educational qualification, and work experience in relation to employee attraction and retention. Therefore, this study attempts to bridge these research gaps by examining the employee attraction and retention strategies followed at NEXA and evaluating their impact on employee satisfaction, engagement, and organizational commitment.

### Research Questions

- What is the present level of employee satisfaction regarding the employee attraction and retention strategies followed at NEXA?
- How effective are the training and development programs offered by the organization in improving employee engagement and retention?
- To what extent do compensation, rewards, and recognition influence employee retention at NEXA?
- What are the major factors influencing employees to join and continue working in the organization?
- Is there any variance in employee attraction and retention perceptions among different demographic groups such as age, gender, educational qualification, and work experience?
- What is the relationship between HR practices, employee engagement, job satisfaction, and employee retention at NEXA?

### Objectives of the Study

#### Main Aim

The employee attraction and retention strategies followed at NEXA will be examined.

#### Aim 2

- To identify the employee attraction and retention strategies developed and implemented in the organization.
- To examine the level of employee satisfaction regarding HR practices followed at NEXA.
- To determine how compensation, rewards, recognition, and career growth opportunities influence employee retention.
- To identify the major factors influencing employees to join and continue working in the organization.
- To evaluate the effectiveness of training and development programs provided by the company.
- To examine whether there are any differences in employee attraction and retention perceptions among different demographic groups.
- To provide suitable suggestions for improving employee attraction and retention strategies in the organization.

### Hypothesis of the Study

#### Hypothesis 1 – Effect of Training and Development on Employee Retention

H<sub>0</sub>: Training and development programs have no effect on employee retention at NEXA.

H<sub>1</sub>: Training and development programs have an effect on employee retention at NEXA.

#### Hypothesis 2 – Relationship Between HR Practices and Employee Retention

H<sub>0</sub>: No relationship exists between HR practices such as compensation, employee engagement, recognition, career growth, and employee retention.

H<sub>1</sub>: A significant positive relationship exists between HR practices and employee retention.

### Hypothesis 3 – Difference Between Groups in Employee Attraction and Retention Perception (ANOVA)

H<sub>0</sub>: There is no difference in perceptions regarding employee attraction and retention among various groups of employees.

H<sub>1</sub>: There is a difference in perceptions regarding employee attraction and retention among various groups of employees.

### Hypothesis 4 – Employee Attraction and Retention Perception in Terms of Gender

H<sub>0</sub>: There exists no statistically significant difference between male and female employees regarding perceptions of employee attraction and retention strategies.

H<sub>1</sub>: There exists a statistically significant difference between male and female employees regarding perceptions of employee attraction and retention strategies.

## 3. RESEARCH METHODOLOGY

The research design used in this study is descriptive in nature, which is suitable for analyzing the present scenario of employee attraction and retention strategies followed in the organization without making any changes to the existing environment. This method helps the researcher to obtain reliable and factual information from employees regarding their opinions about HR practices, job satisfaction, employee engagement, training programs, compensation, and work environment.

Data for the study were collected using both primary and secondary sources. Primary data were collected from employees of NEXA through a structured questionnaire developed based on a five-point Likert scale (Strongly Agree = 5 to Strongly Disagree = 1). The questionnaire includes dimensions related to employee attraction and retention such as recruitment practices, compensation and benefits, training and development, employee engagement, recognition, work environment, job satisfaction, and career growth opportunities.

The sampling method used in this research is convenience sampling, which involves selecting respondents based on their accessibility and willingness to participate in the survey. The total sample size consists of 100 employees selected from different departments and various employment levels within the organization.

Data analysis was carried out using the Statistical Package for the Social Sciences (SPSS). The following statistical tools were used for different purposes in this study: Percentage and Frequency Distribution Analysis for demographic analysis, Descriptive Statistics (Mean and Standard Deviation) for evaluating employee perceptions, Cronbach's Alpha for Reliability Analysis, Pearson Correlation Analysis for testing relationships between HR variables, One-Way ANOVA for identifying differences among demographic groups, and Independent Sample t-test for gender-based comparison.

**Table 1: Descriptive Statistics – Employee Attraction and Retention Practices**

| Variable                                                                    | N   | Min | Max | Mean | Std. Dev. |
|-----------------------------------------------------------------------------|-----|-----|-----|------|-----------|
| I am aware of the employee retention policies followed in the organization  | 100 | 2   | 5   | 3.97 | 0.958     |
| The organization provides adequate training and development programs        | 100 | 2   | 5   | 4.03 | 0.846     |
| HR policies and employee communication are clearly conveyed                 | 100 | 2   | 5   | 3.89 | 0.942     |
| I am aware of career growth and promotion opportunities in the organization | 100 | 2   | 5   | 3.88 | 0.891     |
| Compensation, rewards, and recognition practices are satisfactory           | 100 | 2   | 5   | 3.97 | 0.784     |

### Interpretation

The results obtained from the above table show that the mean scores for all five variables lie between 3.88 and 4.03, indicating that employees generally agree with the statements regarding employee attraction and retention practices followed in the organization. The training and development programs variable recorded the highest mean score (Mean = 4.03, SD = 0.846), showing that employees are satisfied with the learning and development opportunities provided by the organization.

The awareness of employee retention policies and satisfaction with compensation, rewards, and recognition practices both recorded a mean score of 3.97, indicating a positive perception among employees regarding these HR practices. The HR communication variable (Mean = 3.89) and career growth opportunities variable (Mean = 3.88) recorded slightly lower mean scores, suggesting that these areas require further improvement to enhance employee satisfaction and long-term retention.

**Table 2: One-way ANOVA – Employee Perceptions of Employee Attraction and Retention Practices**

**Null hypothesis (H<sub>0</sub>):** There is no significant difference between employee perceptions of employee attraction and retention practices among various groups.

**Alternative hypothesis (H<sub>1</sub>):** There is a significant difference between employee perceptions of employee attraction and retention practices among various groups.

**Table 2: One-Way ANOVA Analysis**

| Variable                                                                            | Sum of Sq.<br>(Between) | df | Mean Square | F Value | Sig.  |
|-------------------------------------------------------------------------------------|-------------------------|----|-------------|---------|-------|
| I am satisfied with the employee attraction strategies followed in the organization | 2.357                   | 3  | 0.786       | 1.126   | 0.343 |
| The organization provides adequate compensation and benefits                        | 0.856                   | 3  | 0.285       | 0.358   | 0.783 |
| Training and development programs improve my job performance                        | 1.705                   | 3  | 0.568       | 0.778   | 0.509 |
| The organization provides sufficient career growth opportunities                    | 1.557                   | 3  | 0.519       | 0.727   | 0.538 |
| Employee engagement and communication practices are effective                       | 1.634                   | 3  | 0.545       | 0.610   | 0.610 |

### Interpretation

From the above table, it can be observed that the Sig. values for all five variables are greater than 0.05. This indicates that there are no significant differences in employee perceptions regarding employee attraction and retention practices among different demographic groups. For the statement “I am satisfied with the employee attraction strategies followed in the organization,” the F value is 1.126 and the significance level is 0.343, which is statistically insignificant.

Similarly, all other variables such as compensation and benefits (Sig. = 0.783), training and development programs (Sig. = 0.509), career growth opportunities (Sig. = 0.538), and employee engagement and communication practices (Sig. = 0.610) also show no significant variation in employee perceptions. Hence, the null hypothesis (H<sub>0</sub>) is accepted.

This indicates that employee attraction and retention practices are perceived similarly by employees irrespective of their age, experience, designation, or other demographic characteristics within the organization.

**Table 3: Pearson Correlation Test for Employee Attraction and Retention Practices**

**H<sub>0</sub>:** There is no correlation between employee attraction and retention practices.

**H<sub>1</sub>:** There is a positive correlation between employee attraction and retention practices.

**Table 3: Pearson Correlation Analysis**

| Variable                                                   | Compensation & Benefits | Training & Development | Employee Engagement | Career Growth | Job Satisfaction |
|------------------------------------------------------------|-------------------------|------------------------|---------------------|---------------|------------------|
| Compensation and benefits are satisfactory                 | 1.000                   | 0.438                  | 0.449               | 0.538         | 0.501            |
| Training and development programs are effective            | 0.438                   | 1.000                  | 0.449               | 0.468         | 0.446            |
| Employee engagement activities are effective               | 0.449                   | 0.449                  | 1.000               | 0.460         | 0.496            |
| Career growth opportunities are satisfactory               | 0.538                   | 0.468                  | 0.460               | 1.000         | 0.520            |
| Employees are satisfied with their job in the organization | 0.501                   | 0.446                  | 0.496               | 0.520         | 1.000            |

#### Interpretation

From the Pearson correlation analysis, it can be observed that there is a significant positive correlation among all five employee attraction and retention variables. This indicates that HR practices are interrelated and influence each other positively. The highest correlation coefficient was found between compensation & benefits and career growth opportunities (0.538), indicating that employees who are satisfied with compensation also tend to perceive career growth opportunities positively.

Similarly, career growth opportunities and job satisfaction show a strong positive correlation (0.520), suggesting that growth opportunities play an important role in improving employee satisfaction. All correlation values range between 0.43 and 0.54 and are positive in nature. This indicates that improvement in one HR practice contributes positively toward improvement in other employee attraction and retention factors, making the retention strategy more effective and integrated. Therefore, the null hypothesis ( $H_0$ ) is rejected and the alternative hypothesis ( $H_1$ ) is accepted.

**Table 4: Independent Samples T-Test on Employee Attraction and Retention Perception by Gender**

**$H_0$ :** There is no significant difference between male and female employees regarding their perceptions of employee attraction and retention practices in the organization.

**$H_1$ :** There is a significant difference between male and female employees regarding their perceptions of employee attraction and retention practices in the organization.

**Table 4: Independent Sample T-Test (Group Statistics)**

| Variable                                                         | Gender | N  | Mean  | Std. Dev. | Std. Err. Mean | Sig   |
|------------------------------------------------------------------|--------|----|-------|-----------|----------------|-------|
| Organization provides effective employee retention strategies    | Male   | 50 | 0.935 | 0.935     | 0.132          | 0.638 |
|                                                                  | Female | 50 | 3.86  | 0.904     | 0.128          |       |
| Employees are encouraged to participate in engagement activities | Male   | 50 | 3.90  | 0.863     | 0.122          | 0.910 |
|                                                                  | Female | 50 | 3.92  | 0.922     | 0.130          |       |

|                                                                |        |    |      |       |       |       |
|----------------------------------------------------------------|--------|----|------|-------|-------|-------|
| Management responds effectively to employee concerns           | Male   | 50 | 4.06 | 0.890 | 0.126 | 0.541 |
|                                                                | Female | 50 | 4.16 | 0.766 | 0.108 |       |
| Proper career growth opportunities are provided to employees   | Male   | 50 | 3.82 | 0.983 | 0.139 | 0.218 |
|                                                                | Female | 50 | 4.06 | 0.935 | 0.132 |       |
| Training and development programs improve employee performance | Male   | 50 | 4.04 | 0.781 | 0.111 | 0.812 |
|                                                                | Female | 50 | 4.08 | 0.829 | 0.117 |       |

### Interpretation

As indicated in the above table, the significance values for all five variables are greater than 0.05, indicating that there is no statistically significant difference between male and female employees regarding their perceptions of employee attraction and retention practices. Therefore, the null hypothesis is accepted.

The mean scores for both male and female employees are relatively similar, ranging from 3.82 to 4.16. These results indicate that both genders have a positive perception regarding HR practices followed in the organization, with only slight variations between them.

In some variables, female employees show slightly higher agreement levels regarding management response to employee concerns (Female Mean = 4.16; Male Mean = 4.06) and career growth opportunities (Female Mean = 4.06; Male Mean = 3.82). However, these differences are not statistically significant.

### Findings of the Study

- The descriptive statistics reveal that employees have a positive perception regarding employee attraction and retention practices, as all mean values range between 3.88 and 4.03 on a five-point scale.
- Training and development programs recorded the highest mean value (4.03), indicating that employees are generally satisfied with the learning and development opportunities provided by the organization.
- Awareness of employee retention policies and satisfaction with compensation, rewards, and recognition practices both recorded a mean score of 3.97, showing positive employee perception regarding HR practices.
- Career growth opportunities recorded the lowest mean value (3.88), indicating that employees expect further improvement in promotion and career advancement opportunities.
- Correlation analysis revealed significant positive relationships among all five HR variables such as compensation, training and development, employee engagement, career growth, and job satisfaction.
- Among these variables, the highest correlation was found between compensation & benefits and career growth opportunities ( $r = 0.538$ ).
- One-Way ANOVA analysis indicated that there is no significant difference in employee attraction and retention perceptions among different demographic groups, as all significance values are greater than 0.05.
- Independent Sample T-test analysis showed that there is no significant difference in employee perceptions based on gender because all significance values exceeded 0.05.
- Female employees showed slightly higher satisfaction regarding management response and career growth opportunities compared to male employees, but the difference was not statistically significant.

### Practical Implication

The findings obtained from this study have several practical implications for NEXA as well as other organizations operating in the automobile retail industry.

First, the study highlights the importance of developing effective employee attraction and retention strategies beyond basic HR policies. Organizations should focus on creating a positive work culture where employees feel valued, motivated, and committed toward organizational goals. Active involvement of management in employee engagement activities, communication, recognition, and career guidance can significantly improve employee satisfaction and loyalty.

Second, the study emphasizes the importance of training and development programs in improving employee retention. Since training recorded the highest satisfaction level among employees, organizations should continue investing in

skill development, professional growth, and learning opportunities to enhance employee confidence, productivity, and long-term commitment.

Third, the positive correlations among compensation, employee engagement, career growth opportunities, and job satisfaction indicate the need for an integrated HR approach. Improvement in one HR practice positively influences other aspects of employee retention. Therefore, organizations should implement comprehensive HR strategies that combine fair compensation, recognition programs, career advancement opportunities, and supportive work environments.

Fourth, the absence of significant differences among demographic groups indicates that employee attraction and retention practices are implemented uniformly across the organization. However, organizations should still regularly collect employee feedback through surveys, performance reviews, and employee interaction programs to identify areas requiring improvement.

Finally, the findings of this study may serve as a useful reference for evaluating employee attraction and retention practices in the automobile industry. HR managers and policy makers can utilize these results to develop better employee engagement programs, improve retention strategies, reduce employee turnover, and strengthen organizational performance and workforce stability

#### 4. CONCLUSION

An empirical approach was adopted to examine the employee attraction and retention strategies followed at NEXA among 100 employees belonging to different demographic groups. The findings revealed that the organization has implemented effective HR practices such as training and development programs, compensation and benefits, employee engagement activities, recognition systems, and career growth opportunities. The descriptive statistics indicate that employees generally possess a positive perception regarding the employee attraction and retention practices followed within the organization. Correlation analysis further confirms that there is a strong positive relationship among various HR dimensions, highlighting the importance of adopting an integrated approach toward employee retention management. The results also identify certain important areas that require organizational attention. Although employees are generally satisfied with the HR practices, the overall satisfaction regarding career growth opportunities, employee engagement activities, and communication systems is comparatively lower. This suggests that while employee retention policies formally exist within the organization, employees expect greater involvement, transparency, and development opportunities. Therefore, the organization should strengthen employee engagement initiatives, improve internal communication, and provide clearer career advancement pathways to enhance long-term employee commitment. The statistical tests also reveal that employee perceptions regarding attraction and retention practices are consistent across different demographic groups and genders, indicating uniform implementation of HR practices throughout the organization. This reflects positively on the organization's ability to maintain fairness and equality in employee management practices. However, sustaining this consistency requires continuous improvement, strong managerial support, and active employee participation in organizational activities.

In conclusion, employee attraction and retention are not merely HR functions but critical elements that directly influence employee satisfaction, organizational productivity, workforce stability, and long-term business success. NEXA has established a strong foundation for effective employee retention practices; however, the organization should continue improving employee engagement, career development opportunities, and communication systems to build a more committed, motivated, and loyal workforce

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