

Chapter 10

Investigating the Impact of Human Resource Practices on Employee Satisfaction in the Corporate Sector of India: A PLS–SEM Analysis

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ABSTRACT

This research delves into an effect of human resource (HR) practices, including recruitment and selection, training and development, compensation, performance appraisal, and supervision, on employee satisfaction within diverse corporate entities in the North and West regions of India. Employing a structured questionnaire, data was collected from 236 participants across different corporations. The results, obtained through a structural equation model (SEM), demonstrate a significant and positive effect of HR techniques on employee contentment within various corporations in the North and West part of India. This empirical study offers valuable insights for HR managers, policymakers, and other stakeholders, aiding them in making strategic decisions to enhance both productivity and employee satisfaction.

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1. INTRODUCTION

Human resources (HR) serve as a vital element in organizational operations, holding a pivotal role in both businesses and institutions. It functions as a driving force in organizational progress, encompassing individuals dedicated to realizing organizational objectives through their abilities to initiate, strategize, and plan. While constituting valuable assets to an organization, HR personnel often require continuous training and development to enhance their competencies. Recent investigations have highlighted the significant effect of human resource processes on workers' satisfaction, closely linked to long-term business growth (Sharma, A., & Raj, R., 2022).

Frequently, employers lack insight into the root causes of employee dissatisfaction, leading to discontent within the workforce. Numerous organizations grapple with issues related to employee fulfillment, ranging from inadequate incentives and uncomfortable work environments to impediments in the promotion process. Failure to address these concerns may result in a considerable increase in employee turnover. Employee job satisfaction is often reflected in a deep personal investment in their work and a sense of enjoyment derived from performing their duties.

Anwar and Abdullah (2021) examined the influence of HRM practices on company outcomes, noting that decentralization positively impacted productivity. Decentralization involves distributing decision-making authority to lower organizational levels, allowing for increased adaptability and responsiveness to regional demands. This underscores the crucial role of effective HRM in driving organizational success. Modern HR practices, such as flexible work hours, distant work options, international assignments, digitalization, and online skill development programs, cater to the preferences of the millennial workforce. Employers incorporating these practices are better positioned to attract top talent (Gupta et al., 2023). Furthermore, research by Küpper et al. (2021) emphasizes the positive link between gamification and employer branding through creativity. To cultivate attractive brands that retain the best employees, businesses must carefully strategize their HRM approaches (Nazish, Mehboob, Haider, & Khan, 2023).

2. LITERATURE REVIEW

2.1 Human Resource Management Practices

Amidst a progressively complex and volatile international marketplace, numerous organizations have redirected their focus towards human resource practices as a strategy to surmount obstacles and achieve a competitive advantage. Improved directing abilities, new information, team cohesion, employee dedication, and final results are all possible effects of using HRM strategies. HRM is therefore crucial to the success of organizations in many different sectors (Cania, 2014; Harter et al., 2002). Companies that can survive in the long run from an environmental, social, and economic perspective are in high demand in today's job market. Organizational development and well-being resources must be reevaluated in light of the ever-present need for staff with varied capabilities and the fast-paced nature of everyday change.

In a study by Ingusci et al. (2023) focusing on the moderating role of proactive challenge-seeking abilities, the bang of HRM procedures on work contentment was investigated. The findings indicate a positive correlation among HRM practices, proactive behavior (job crafting) in seeking out challenges, and work happiness. Additionally, research underscores the potential moderating effect of challenge-seeking behavior on the link amid man management procedures and job happiness. These results prompt

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