

IMPACT OF HR ANALYTICS ON RETENTION IN ORGANISATIONS BASED IN Delhi NCR.

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Abstract

The increasing adoption of Human Resource (HR) Analytics has transformed workforce management practices across organizations. HR Analytics enables organizations to collect, analyze, and interpret employee-related data for informed decision-making. Employee retention remains one of the major challenges faced by organizations in Delhi NCR due to high competition, employee mobility, and changing workforce expectations. This study examines the impact of HR Analytics on employee retention in organizations based in Delhi NCR. Primary data were collected from 200 respondents working in various organizations. Regression analysis was employed to determine the relationship between HR Analytics adoption and employee retention. The findings reveal a significant positive relationship between HR Analytics adoption and employee retention. The study concludes that organizations utilizing HR Analytics effectively can improve employee engagement, predict turnover, and implement retention strategies that reduce employee attrition.

Keywords: HR Analytics, Employee Retention, Workforce Analytics, Human Resource Management, Delhi NCR, Employee Turnover.

1. Introduction

Organizations today operate in a highly competitive business environment where retaining talented employees has become a strategic priority. The emergence of digital technologies and data-driven decision-making has led to the widespread adoption of HR Analytics. HR Analytics refers to the systematic collection, analysis, and interpretation of employee-related data to improve organizational outcomes. Employee retention is critical because high employee turnover increases recruitment costs, training expenses, and productivity losses. Organizations in Delhi NCR, one of

India's largest business hubs, are increasingly investing in HR Analytics tools to understand employee behavior, identify turnover risks, and develop effective retention strategies. This study investigates whether HR Analytics significantly influences employee retention among organizations operating in Delhi NCR.

1.1 Background of the Study

HR Analytics has evolved from traditional HR reporting to advanced predictive and prescriptive analytics. Organizations use HR Analytics to monitor employee performance, engagement, satisfaction, absenteeism, and turnover trends. By identifying factors influencing employee retention, HR managers can formulate proactive interventions to retain valuable employees. Delhi NCR hosts a large number of multinational corporations, IT firms, manufacturing units, and service organizations. The region experiences substantial employee movement due to abundant employment opportunities. Therefore, examining the effectiveness of HR Analytics in enhancing employee retention is highly relevant.

1.2 Statement of the Problem

Despite significant investments in employee retention programs, many organizations continue to face high turnover rates. Traditional HR practices often rely on intuition rather than data-driven insights. There is a need to evaluate whether the adoption of HR Analytics can effectively contribute to employee retention in organizations based in Delhi NCR.

1.3 Research Objectives

To assess the impact of HR Analytics on employee retention.

1.3.2 Research Questions

Does HR Analytics positively influence employee retention?

1.3.3 Hypotheses

H₀: HR Analytics has no significant impact on employee retention.

H1: HR Analytics has a significant impact on employee retention.

1.4 Significance of the Study

The study contributes to understanding how HR Analytics supports employee retention strategies. The findings may assist HR professionals, managers, policymakers, and researchers in developing evidence-based retention practices. The study also adds to the growing body of literature on data-driven human resource management in India.

2. Literature Review

Numerous studies have highlighted the strategic importance of HR Analytics in modern organizations. Bassi (2011) emphasized that HR Analytics helps organizations improve workforce decisions through evidence-based practices. The study argued that analytical approaches enhance workforce productivity and retention. Fitz-Enz (2010) suggested that HR Analytics enables organizations to measure human capital effectiveness and predict employee turnover patterns. Data-driven HR interventions were found to improve employee satisfaction and organizational commitment. Levenson (2018) reported that organizations adopting advanced workforce analytics experience better talent management outcomes and lower attrition rates compared to organizations relying solely on traditional HR methods.

Marler and Boudreau (2017) observed that HR Analytics supports strategic HR decision-making by identifying key drivers of employee behavior and retention. In the Indian context, Kumar and Sharma (2020) found that HR Analytics contributes significantly to employee engagement and retention by helping organizations identify dissatisfaction factors before employees decide to leave. Similarly, Singh and Gupta (2021) reported that organizations utilizing predictive HR Analytics demonstrated improved retention rates due to proactive workforce planning and employee development initiatives. The reviewed literature indicates a positive relationship between HR Analytics and employee retention. However, limited empirical studies have focused specifically on organizations in Delhi NCR, creating a research gap addressed by the present study.

3. Research Methodology

Research Design: The study adopted a descriptive and quantitative research design to examine the relationship between HR Analytics and employee retention. Data Collection: Primary data were collected through a structured questionnaire administered to employees working in organizations located in Delhi NCR. Sampling Technique: Convenience sampling was employed for selecting respondents. Sample Size: The study consisted of 400 respondents. Variables: Independent Variable: HR Analytics Adoption, Dependent Variable: Employee Retention. Statistical Tool Used: Simple Linear Regression Analysis was used to assess the impact of HR Analytics adoption on employee retention.

4 Analysis: Regression Analysis:

Variables Entered/Removed ^a						
Model	Variables Entered	Variables Removed	Method			
1	B: HR ANALYTICS ADOPTION TOTAL ^b		Enter			
Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.825 ^a	.680	.679	1.373		
ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1596.531	1	1596.531	847.412	.000 ^b
	Residual	751.309	398	1.888		

	Total	2347.840	399			
Coefficients^a						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.384	.337		4.106	.000
	B: HR ANALYTICS ADOPTION TOTAL	.812	.028	.825	29.110	.000

Interpretation:

The correlation coefficient ($R = 0.825$) indicates a strong positive relationship between HR Analytics adoption and employee retention. The coefficient of determination ($R^2 = 0.680$) suggests that 68.0% of the variation in employee retention is explained by HR Analytics adoption. This demonstrates substantial explanatory power of the model. The Adjusted R Square value of 0.679 indicates that the model remains highly reliable even after adjustment for sample size and predictors.

The ANOVA results show an F-value of 847.412 with a significance level of 0.000, which is less than 0.05. This indicates that the regression model is statistically significant and capable of predicting employee retention. Therefore, the overall model demonstrates a significant relationship between HR Analytics adoption and employee retention.

Regression Equation: Employee Retention = 1.384 + 0.812 (HR Analytics Adoption)

Interpretation. The regression coefficient ($B = 0.812$) indicates that for every one-unit increase in HR Analytics adoption, employee retention increases by 0.812 units.

Decision: Since the significance value ($p = 0.000$) is less than 0.05, the null hypothesis is rejected and the alternative hypothesis is accepted. Therefore, HR Analytics has a statistically significant positive impact on employee retention in organizations based in Delhi NCR.

5. Findings

A strong positive relationship exists between HR Analytics adoption and employee retention ($R = 0.825$). HR Analytics explains 68% of the variance in employee retention, indicating substantial predictive capability. The regression model is statistically significant ($F = 847.412$, $p < 0.05$). HR Analytics adoption positively influences employee retention with a regression coefficient of 0.812. Organizations that effectively utilize HR Analytics are better able to identify turnover risks and implement retention-focused interventions. The hypothesis testing confirms that HR Analytics significantly contributes to employee retention in Delhi NCR organizations.

6. Conclusion

The present study examined the impact of HR Analytics on employee retention in organizations based in Delhi NCR. The findings provide strong empirical evidence that HR Analytics adoption significantly enhances employee retention. The regression analysis revealed a strong positive relationship between HR Analytics and retention, with HR Analytics explaining 68% of the variation in employee retention. The study demonstrates that organizations leveraging HR Analytics can make more informed workforce decisions, identify employee concerns proactively, predict turnover intentions, and design effective retention strategies. As organizations continue to embrace digital transformation, HR Analytics is becoming an essential tool for managing human capital effectively.

The study concludes that HR Analytics is not merely a technological innovation but a strategic resource that contributes significantly to organizational sustainability through improved employee retention. Organizations in Delhi NCR should continue investing in HR Analytics capabilities to strengthen workforce stability and maintain competitive advantage.

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