

## Exploring the Impact of HR Practices on Establishing an Organization as an Employer of Choice

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### Abstract

*The main objective of the study was to determine and identify whether, independent variables (Compensation and Benefit, Training and Development, Employee Engagement, Performance Management, Reward and Recognition, Work-Life Balance) affects the dependent variable (Employer of Choice) or not. The nature of the research was causal (explanatory) in nature. This research was explanatory because it focused on identifying the impact, relationships, and analysis of specific variables. The research was conducted in area of Karachi, Sindh, Pakistan, the data was collected from six (6) different FMCGs (Fast Moving Consumer Goods) located in Karachi, Sindh, Pakistan, the sample size of the study was 300 respondents accordingly. The type of research that was implemented in this research was quantitative in type. Data was collected by floating a close ended survey questionnaire, which was developed on the Likert Scale. The statistical results concluded that all independent variables have been accepted and have an impact on the dependent variable.*

*Keywords: Compensation and Benefit, Training and Development, Employee Engagement, Performance Management, Reward and Recognition, Work-Life Balance, and Employer of Choice.*

## **Introduction**

Organizations are increasingly adopting HRM policies to motivate and improve employee well-being. This leads to a more effective and productive workforce. HRM plays a crucial role in making organizations employers of choice. Organizations should be aware of employee problems and fulfill their needs accordingly. They should also work towards employee well-being, creating an attractive working environment with a hierarchy of needs. (Chhetri, 2017).

Employee engagement ensures employees are motivated to contribute to the organization's objectives and values, contributing to its success while maintaining their wellbeing. Enhancing employee engagement and retention can increase employee retention by addressing the necessary factors. (Okwakpam, 2019).

Organizations must prioritize sustainable long-term employability to create a satisfied, engaged, and loyal employee base. This can be achieved through strong HR practices that motivate employees, focus on growth and career development, and make them an essential component of the organization. By doing so, employees perform beyond expectations and achieve strategic goals efficiently and effectively. (Ybema, van Vuuren, & van Dam, 2020).

Human capital is irreplaceable, making HR practices crucial for enhancing its value and quality. Employee turnover has direct and indirect costs, impacting a company's performance and overall production. HR practices improve employee performance and reduce turnover likelihood, affecting customer satisfaction and overall performance. HR policies play a vital role in improving organizational performance and lowering attrition rates. Increased staff turnover negatively impacts skills, knowledge, profitability, quality, and productivity. HR practices can boost organizational citizenship behavior and contribute to a company's overall success. (Shah, et al., 2020).

Organizations are producing high-level jobs due to the growth of Human Resources, which impacts employee abilities. HR development improves productivity, efficiency, and profitability by using best practices in human resource management. HRM is a strategic method for managing employment relations, emphasizing the importance of maximizing individual skills and gaining a competitive advantage. To survive in a rapidly changing environment, motivated personnel are

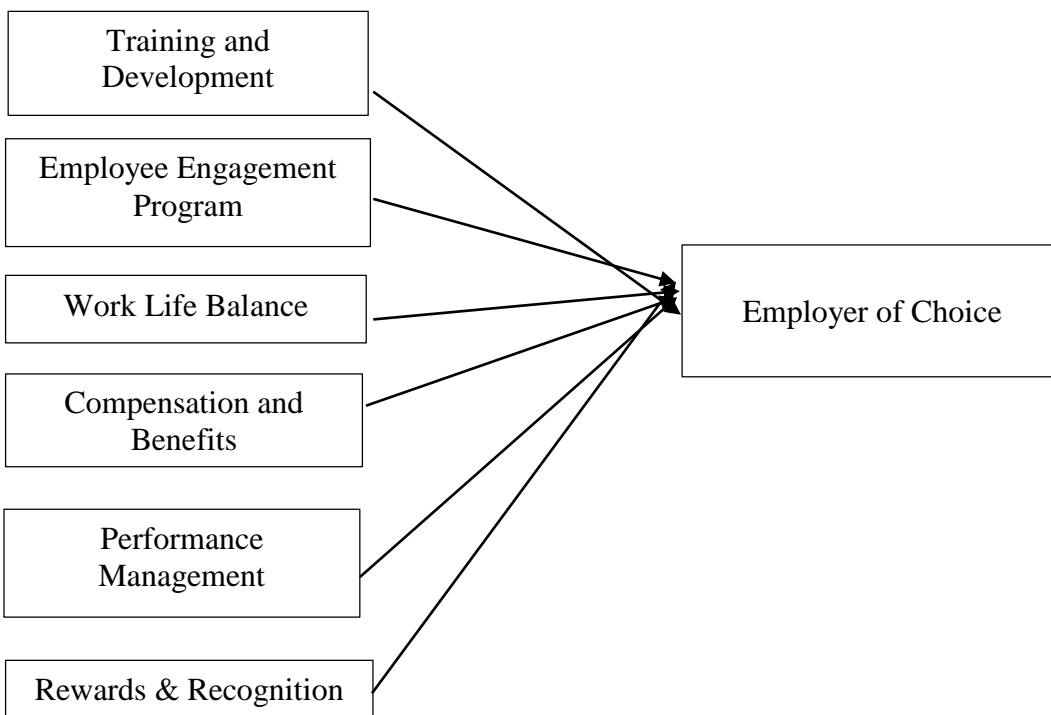
essential. Managers must recognize what motivates employees in their roles, a complex task that HR departments face daily to keep employees motivated and excel in their work. (Mason, 2017).

### **Objectives of the Study**

This study aims to identify HR factors that make an employer of choice, including training and development, employee engagement, work-life balance, compensation and benefits, and performance management. Sub-objectives include understanding the impact of these factors on employers, determining the effects of compensation and benefits, and analyzing the impact of performance management on employers. To determine the effect of Rewards and Recognition on Employer of Choice.

Figure 1

#### *Conceptual Framework*



### **Hypotheses of the Study**

H1: Training and Development has an impact on Employer of Choice

H2: Employee Engagement has an impact on Employer of Choice

H3: Work Life Balance has an impact on Employer of Choice

H4: Compensation and Benefits has an impact on Employer of Choice

H5: Performance Management has an impact on Employer of Choice

H6: Rewards Recognition has an impact on Employer of Choice

## **Literature Review**

### **Training & Development**

Organizations face increasing competition and a constantly evolving technological and business environment. Globalization and customer demands have led to increased challenges for businesses. To meet these challenges, companies must train and develop their employees. Training involves imparting knowledge and skills, while development prepares employees for new positions and preparing them for change. Training and development are essential components of a company's human resource management strategy, aiming to improve quality and meet global competition and social change. Addressing staff training and development is crucial for organizations to maintain a sustainable competitive edge. (Younas, Farooq, Khalil-Ur-Rehman, & Zreen, 2018).

Employee training and development are essential for organizations to improve employee performance and productivity. By investing in educational methods and programs, organizations not only motivate their workforce but also create a trained workforce that produces efficient results. Global organizations prioritize training and development, investing significant resources to enhance employee skills and productivity. (Danvila-del-Valle, Estévez-Mendoza, & Lara, 2019).

Research reveals that training and development objectives are achieved through engaging staff in implementing industry standards through e-learning methods. Organizations focus on employee engagement through technology, personalized learning, and past experiences. Hietala, a renowned author, recommends using micro learning approaches, providing online material, informal social engagement, information sharing, and timely access to information. This approach aims to enhance employee learning and development, ultimately leading to better organizational performance. (Yabanci, 2019).

Training and development aim to enable employees to perform technical work efficiently and smoothly. Through training of employees, they become job-specific and focus hard on specific job skills to meet the key performance indicator that is linked with the role. Those employees who pay attention to training tend to be more productive and have fewer incidents. This enables us to have value as a strong competitor in the competitive market (Ross, 2018).

Training and development are crucial strategies for employee retention, as they provide a proactive approach to growth and reduce turnover rates. Research shows that training helps employees deal with risk, identifying factors involved in life business and proactively addressing them. This involves identifying, accessing, controlling, and reviewing risks. Employees are taught to avoid risk, mitigate its likelihood, and accept proactively. Smart organizations invest in training to retain employees, ensuring high productivity and a cooperative world with a noble concept of living. (Belias, Vasiliadis, & Mantas, 2020).

### **Employee Engagement**

Human resources are crucial for organizations, serving as the backbone of global operations. Strategically positioned employees provide a competitive advantage, and organizations can maintain this advantage by managing scarce and valuable human resources. This research aims to determine the effects of HRM practices on employee performance in the public sector. Employee engagement is also crucial, and organizations should focus on HRM practices like training, development, compensation, job security, and promotion to increase employee commitment and enhance performance. (Taib, Saludin, & Hanafi, 2018)

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William Kahn emphasizes the importance of employee engagement, organizational mission, company culture, and meaningful tasks. He emphasizes the importance of a safe

environment, allowing open discussion of fears and issues, and recognizing employees' efforts. Meaningfulness is the purpose behind working in an organization, and availability refers to the mental and physical presence of employees to perform tasks. Work-life balance is also a crucial aspect of availability. William Kelan promotes a holistic approach to employee engagement, short-term goals, and cohesive strategies to support all areas of work. Goal setting is crucial for achieving optimum results and reducing incidents, while human resource utilization is crucial for maximizing productivity. (Jeong, Healy, & McEwan, 2021).

### **Work Life Balance**

Work-Life Balance is crucial for businesses and individuals, as it increases employee productivity and improves organizational performance. An effective policy allows employees to socialize, manage costs, and reduce turnover. Employees who feel good and less stressed at work and home are more satisfied, impacting their well-being and business. A study found a positive relationship between work-life balance and employee performance. (Adnan Bataineh, 2019).

Work-life balance refers to an employee's allocation of time for work and other aspects of life. A good work-life balance involves staying productive and fulfilling personal needs. It is more common among passionate entrepreneurs who are more satisfied with their work experience than those starting their careers. (Najam, Burki, & Khalid, 2020).

Organizational policies aim to create flexible work-life arrangements for employees, offering career leaves, study/training leave, career breaks, cultural/religious breaks, and pooling of leave entitlements. These policies also allow for bereavement leave, allowing employees to take off for a minimum of two days if a close family member passes away. Additionally, policies are in place for parenting and pregnancy, providing paid maternity, adoption, paternal, job security, maternal, and safety at work during pregnancy.

Staggering return to work after pregnancy allows for temporary reductions in work hours. Child care centers are also provided for paying reserve places in existing or onsite child care. Employees work at different times, sharing the same responsibility for a full-time job, and share pay and hours. Shift work allows employees to work differently based on different timings, with

different teams based within 24 hours. Employees manage their work according to their will, with the policy of working fixed annual hours being made flexible for weekly or daily patterns. This work-life balance has allowed employees to work from mobility and maintain a healthy work-life balance. (Perreault & Power, 2021)

### **Compensation and Benefits**

Employees are a valuable resource for an organization, and their welfare is crucial. Companies provide compensation and benefits in the form of allowances, promotions, and incentives to employees, which are determined by their performance. Poor compensation and benefits can lead to low productivity, low satisfaction, increased absenteeism, and negative outcomes. Compensation and benefits are essential tools for executives and organizations to exchange information and achieve goals. To attract, retain, and motivate executives, organizations must focus on their compensation and benefit programs. Some practices may include receiving benefits before performance to motivate employees and improve performance. To retain and attract executives, organizations must focus on their compensation and benefit programs to ensure their satisfaction and overall success. (Amin & Majid, 2017).

Compensation and benefits are crucial for employees to stay connected to their work and achieve desired outcomes. Non-monetary benefits, such as paid vacations and health coverage, contribute to employee peace and motivation. Retirement benefits help employees save money and plan for their future, while paid time off allows them to enjoy paid vacations without deductions. Remote work facilities allow employees to work on time and enjoy flexible working hours without interference. Employees also enjoy work-place perks like cars, massages, employee retreats, gym memberships, and child care. These benefits help employees achieve performance goals and milestones, improving focus and productivity. Confidence in personal matters enables employees to focus on career development tasks. Overall, both monetary and non-monetary benefits contribute to employee satisfaction and productivity. (Lazear, 2018).

### **Performance Management**

Organizations aim to achieve goals by hiring and maintaining employees, and performance management is a crucial tool for managers to monitor and evaluate employee performance. Implementing performance management leads to better financial results. Measures of

organizational performance include productivity, organizational effectiveness, and industry ranking. A study examined the impact of HRM functions on innovation and entrepreneurship, finding that performance management positively impacts perceived innovations and entrepreneurship. (Naser, 2020).

Performance management in human resources focuses on developing potential capabilities and skills over time. This study examines organizational new public management, micro and macro changes, political behavior, and external pressures. It identifies institutional and structuration theories as reflections of better performance management. The study helps management set economic, institutional, and human dimensions, enabling employees to distinguish between different dimensions within the organization. Consistent goals and ambiguity highlight characteristics that help employees grow in the future. Performance management focuses on sustainable development, quality of life, culture, and efficiency to improve authority and authority. (Maran, Bracci, & Inglis, 2018).

### **Reward and Recognition**

In today's competitive environment, the sources of sustained competitive advantage have shifted from finance to technology and human assets. To motivate employees, management must understand their attitudes towards work and life, as well as different personality types. Failure to achieve this mission may result in employees leaving the workplace, leading to significant financial and non-financial losses for the company. Employee turnover is a significant issue in today's business environment, and organizations are looking for better ways to help employees be more productive and happier at work. A reward system is a systematic scheme that provides incentives for those performing well in the company, including financial and non-financial rewards. Financial incentives satisfy employees by providing monetary incentives, while non-monetary incentives satisfy employees' ego and self-actualization needs. A lack of a fair rewards and recognition system can result in an unsatisfactory workforce within the organization. In today's environment, retaining qualified blood within organizations has become a major challenge, and employee turnover is a major problem managers face. The likelihood of an employee staying or leaving their current employer is influenced by the intention to turnover. To



reduce the high likelihood of employees leaving the company, management must design a well-balanced reward system that considers both financial and non-financial factors. (Mendis, 2017).

Reward and recognition are essential in motivating employees to perform in both intrinsic and extrinsic ways. They provide a fair and timely environment for employees to appreciate their efforts, including financial compensation, celebrations, and milestones. Recognizing employee rewards increases productivity and reduces attrition rates. There are two types of rewards: monetary and non-monetary, aligned with goals, objectives, mission, and vision. Monetary rewards include salaries, vacation trips, cash bonuses, stock awards, discounted checkups, and fees, while non-monetary rewards include letters of appreciation, dinner with bosses, company facilities perks, rewards, diaries, and promotions. A combination of both monetary and non-monetary rewards can lead to continuous positive behavior for the organization, creating a harmonious relationship between employees and employers. (Manzoor, Wei, & Asif, 2021).

### **Employee of Choice**

Employer branding is a crucial aspect of organizational success, combining branding and human resources to attract and retain qualified employees. To gain a competitive advantage, an employer brand should represent the organization as a potential employer and provide a superior employment experience. A strong employer brand should include rewards, salary, benefits, career advancement, and opportunities for added value. Retaining the right people is critical to a company's success, as competition is increasing. To retain employees, employers should focus on HR practices like induction, training, rewards, compensation, and a healthy work-life balance. This approach can help organizations become an employer of choice and ensure their employees are satisfied with their work. (Gilani & Cunningham, 2017).

Before confirming an employee, it is crucial to consider their financial stability and job security. This ensures employees can focus on their goals and core functions without worrying about their job. Employers should empower employees to make decisions and take responsibility for their job. Employees should have a deep understanding of the company's mission, vision, goals, values, and feedback, which help them achieve their goals. Respect is essential for employees to feel valued and respected, regardless of their position. (Ahmad, Khan, & Haque, 2020).

## **Research Methodology**

The research focuses on the demographic distribution of employees in the HR department of FMCGs in Karachi, Sindh, Pakistan. The sample includes both male and female employees aged 30-50, working at operational, middle, and top-level management levels. The study also includes middle and top-tier employees with relevant HR practices, making the organization an Employer of Choice.

### **Population, Sample and Sampling Technique**

This study focuses on FMCG organizations in Karachi, Pakistan, focusing on HR department employees aged 30-50. The sample includes both males and females, at all levels of the HR department, including operational, middle, and top-level management. The convenience sampling technique was used to determine the sample size, with data collected from respondents willing to participate and available. The target sample size was 50 respondents from six FMCG organizations with their head offices in Korangi Industrial Area and Site Area. The sample size exceeded Creswell's recommendation of 385 respondents for a large population, but this study incorporated 300 respondents, resulting in a target sample size of 50 respondents.

### **Research Design**

The research design emphasizes a systematic approach, focusing on critical aspects such as research type, nature, variables, and time orientation. Quantitative research, using SPSS, helps identify patterns, averages, and predicts, eradicating bias and errors. The study is causal, explaining the cause-and-effect relationship between independent variables (Training and Development, Employee Engagement, Work Life Balance, Compensation and Benefits, Performance Management, and Reward & Recognition) and dependent variable (Employer of Choice). Data collection was primary, using a structured survey questionnaire to measure an organization's ability to become an Employer of Choice by adapting best HR practices. The research is cross-sectional, collecting data at a single point without manipulation.

### **Data Analysis and Results of the Study**

The study examines the impact of HR practices on an organization's ability to become an Employer of Choice in the FMCG industry of Karachi, Pakistan. Data was collected from six organizations, including both male and female respondents aged 30-50. The data was coded into

an Excel sheet and analyzed using SPSS statistical software. The findings suggest that organizations that prioritize training, employee engagement, work-life balance, compensation, benefits, performance management, and reward and recognition can become Employers of Choice in the FMCG industry.

### Reliability Testing

Table 1  
Reliability & Validity

Variables	Items	Cronbach's Alpha
Reward and Recognition	3	.791
Training & Development	3	.751
Work-life Balance	3	.714
Compensation and Benefits	3	.791
Employee Engagement	3	.721
Performance Management	3	.745
Employer of Choice	3	.717
All Variables	21	.830

The reliability test results for the gathered data set are shown in the table above. Because the variables in this study were created using this data, it highly critical that the data is checked accordingly for reliability through Cronbach's Alpha. Cronbach's Alpha, often known as a coefficient of reliability, is a measurement of how reliable the data collected is. Cronbach's alpha is a measure of response consistency; a value of greater than 0.5 is considered satisfactory, and a value of greater than 0.6 is considered good, indicating that the scale is reliable for further research. The value of Reward and Recognition at 3 items is 0.791, Training & Development at 3 items is .751, Work-life Balance at 3 items is .714, Compensation and Benefits at 3 items is .791, Employee Engagement at 3 items is .721, Performance Management at 3 items is .745 and Employer of Choice at 3 items is .717. Furthermore, Cronbach's Alpha value for all variables together is .830. Hence, as, all values are greater than 0.6 is that more than 60% consistency, thus the results are consistent, reliable and applicable for further analysis.

## Correlation Matrix

Table 2

Correlations

		RAR	TAD	WLB	CAB	EE	PM	EOC
Reward and Recognition	Pearson Correlation	1	.720**	.612**	.594**	.625**	.655**	.842**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000
	N	300	300	300	300	300	300	300
Training and Development	Pearson Correlation	.720**	1	.744**	.427**	.620**	.747**	.855**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	300	300	300	300	300	300	300
Work Life Balance	Pearson Correlation	.612**	.744**	1	.260**	.563**	.808**	.700**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000
	N	300	300	300	300	300	300	300
Compensation and Benefit	Pearson Correlation	.594**	.427**	.260**	1	.600**	.434**	.897**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000
	N	300	300	300	300	300	300	300
Employee Engagement	Pearson Correlation	.625**	.620**	.563**	.600**	1	.710**	.790**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000
	N	300	300	300	300	300	300	300
Performance Management	Pearson Correlation	.655**	.747**	.808**	.434**	.710**	1	.829**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000
	N	300	300	300	300	300	300	300
Employer of Choice	Pearson Correlation	.842**	.855**	.700**	.897**	.790**	.829**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	300	300	300	300	300	300	300

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

The correlation matrix above includes the sig 2 value that shows whether a relation exist among the variables. Pearson Correlations indicates the strength of the relationship among the variables. Pearson correlation values are measured as per the analysis, if the value is closer to 100 hence it is considered as a strong relationship and further away from 100 it is indicated as a weak relationship.

Hence, Reward and Recognition has a Correlation Coefficient of 84.2% percent with Employer of Choice at a p-value of 0.00 which shows a statistically strong relationship between Reward and Recognition and Employer of Choice. Training & Development has a Correlation

Coefficient of 85.5% percent with Employer of Choice at a p-value of 0.00 which shows a statistically strong relationship between Training & Development and Employer of Choice.

Work-life Balance has a Correlation Coefficient of 70% percent with Employer of Choice at a p-value of 0.00 which shows a statistically good relationship between Work-life Balance and Employer of Choice.

Compensation and Benefits has a Correlation Coefficient of 89.7% percent with Employer of Choice at a p-value of 0.00 which shows a statistically good relationship between Compensation and Benefits and Employer of Choice.

Employee Engagement has a Correlation Coefficient of 79% percent with Employer of Choice at a p-value of 0.00 which shows a statistically good relationship between Employee Engagement and Employer of Choice. Performance Management has a Correlation Coefficient of 82.9% percent Employer of Choice at a p-value of 0.00 which shows a statistically good relationship between Performance Management and Employer of Choice.

### Multiple Linear Regression

Table 3

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.936 <sup>a</sup>	.876	.874	.291

a. Predictors: (Constant), Performance Management, Compensation and Benefit, Reward and Recognition, Employee Engagement, Training and Development, Work Life Balance

The table above indicates the output of the regression model executed in SPSS. The model summary above is the first out of this model, which has been done to test the hypotheses being investigated in this dissertation. The model summary represents the goodness of fit of the model whereas it also explains how the model is explained by the variables. The coefficient of the R shows the relationship between the independent and depend variable, hence the table above shows that the Coefficient of the R is 0.936, which means that association between the independent variable (Training and Development, Employee Engagement, Work Life Balance,

Compensation and Benefits, Performance Management and Reward & Recognition) and dependent variable (Employer of Choice) is 93.6%. Furthermore, it can also be observed that the independent variables (Training and Development, Employee Engagement, Work Life Balance, Compensation and Benefits, Performance Management and Reward & Recognition) can explain or bring about a change of 87.5% on the respective dependent variable (Employer of Choice).

**Analysis of Variances**

Table 4

ANOVA<sup>b</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	175.954	6	29.326	346.263	.000 <sup>a</sup>
	Residual	24.815	293	.085		
	Total	200.769	299			

a. Predictors: (Constant), Performance Management, Compensation and Benefit, Reward and Recognition, Employee Engagement, Training and Development, Work Life Balance

b. Dependent Variable: Employer of Choice

The above table is known as (ANOVA). This table is used to measure the goodness of fit of model which is indicated by the F value and the significance of the model which is represented by the Sig. value. After the analysis of the respondents, it is clear that the model possesses a predictive value, this is proven as the significance is .000 that is below the sig benchmark value of .05, hence we can reject the null hypothesis (that the model has no predictive value) whereas the goodness of fit can be measured by the F value (Benchmark should be 4 or above). The model is deemed fit due to the fact that the value is above 4.0 at 346.263

## Analysis of Coefficients

Table 5

### Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.112	.091		1.233	.219
	Reward and Recognition	.025	.027	.032	2.917	.000
	Training and Development	.265	.033	.295	8.008	.000
	Work Life Balance	.010	.037	.011	4.274	.004
	Compensation and Benefit	.291	.024	.355	12.323	.000
	Employee Engagement	.246	.034	.242	7.280	.000
	Performance Management	.659	.040	.693	16.420	.000

a. Dependent Variable: Employer of Choice

The table above shows the coefficient output of the linear regression executed on SPSS. The importance of the independent variables is shown in this table, along with their intensity and direction. Reward and Recognition has a significant effect on Employer of Choice as its t value is 2.917 which is above the 2.0 benchmark for the t- statistic, and its sig value is .000 which is less than the 0.05.

Training and Development has a significant effect on Employer of Choice as its t value is 8.008 which is above the 2.0 benchmark for the t- statistic, and its sig value is .000 which is less than the 0.05. Work Life Balance has a significant effect on Employer of Choice as its t value is 4.274 which is above the 2.0 benchmark for the t- statistic, and its sig value is .004 which is less than the 0.05.

Compensation and Benefit has a significant effect on Employer of Choice as its t value is 12.323 which is above the 2.0 benchmark for the t- statistic, and its sig value is .000 which is less than the 0.05. Employee Engagement has a significant effect on Employer of Choice as its t value is 7.280 which is above the 2.0 benchmark for the t- statistic, and its sig value is .000 which is less than the 0.05. Performance Management has a significant effect on Employer of Choice as its t value is 16.420 which is above the 2.0 benchmark for the t- statistic, and its sig value is .000 which is less than the 0.05.

Furthermore, the Beta value in the table above highlights the magnitude that is the impact of the independent variables from highest to lowest on the dependent variable. Thus, 1<sup>st</sup> Performance Management, 2<sup>nd</sup> Compensation and Benefit, 3<sup>rd</sup> Training and Development, 4<sup>th</sup> Employee Engagement, 5<sup>th</sup> Reward and Recognition and lastly 6<sup>th</sup> Work life Balance.

### Testing and Analysis of Hypothesis

Table 9

#### Hypothesis Testing

S No	Hypothesis	T-Value	Sig Value	Empirical Conclusion
H1	Training and Development has an impact on Employer of Choice	8.008	.000	Accepted
H2	Employee Engagement has an impact on Employer of Choice	7.280	.000	Accepted
H3	Work Life Balance has an impact on Employer of Choice	4.274	.004	Accepted
H4	Compensation and Benefits has an impact on Employer of Choice	12.323	.000	Accepted
H5	Performance Management has an impact on Employer of Choice	16.420	.000	Accepted
H6	Rewards Recognition has an impact on Employer of Choice	2.917	.000	Accepted

The table above clearly highly the hypothesis that have been accepted in the research, thus all hypothesis that are H1, H2, H3, H4, H5 and H6 have been accepted accordingly. In other words, it can be stated that all the independent variables (Training and Development, Employee Engagement, Work Life Balance, Compensation and Benefits, Performance Management and Rewards Recognition) all tend to have an impact on the dependent variable (Employer of Choice).

### Discussion and Conclusion

This research investigates the impact of HR practices on an organization's ability to become an employer of choice in the FMCG industry of Karachi, Pakistan. It focuses on six FMCG companies in the Sindh region, examining the relationship between employee engagement, performance management, and the choice of an employer. Data was collected through a survey questionnaire, involving 300 respondents from various levels of management, including operational, HR, and supporting departments. The study found that all independent variables, including reward and recognition, training and development, work-life balance, compensation



and benefits, employee engagement, and performance management, had an impact on the choice of an employer.

### **Discussion and Conclusion**

The statistical analysis reveals that the independent variables (Reward and Recognition, Training and Development, Work-life Balance, Compensation and Benefits, Employee Engagement, and Performance Management) significantly impact the dependent variable (Employer of Choice). Reward and Recognition significantly affects employee perception, as it creates a positive image of the organization and motivates potential employees. Training and development policies are crucial for employee performance, productivity, and brand image, making an organization an employer of choice. Work-life balance is also significant, as it helps employees manage their personal and professional lives effectively. Compensation and benefits are essential for motivation and attracting new employees, making an organization an employer of choice. Employee engagement is crucial for better work results and attracting potential employees. Performance management is crucial for creating a positive image of the organization and giving it an edge among competitors. Implementing a proper performance management system can help organizations become an employer of choice.

The variables that were incorporated in this research included (Reward and Recognition, Training and Development, Work-life Balance, Compensation and Benefits, Employee Engagement and Performance Management) as independent variables and (Employer of Choice) as dependent variable. As the study focused on analyzing the impact of independent variables (Reward and Recognition, Training and Development, Work-life Balance, Compensation and Benefits, Employee Engagement and Performance Management) on the dependent variable (Employer of Choice), it was concluded through statistical analysis, processed using the statistical software SPSS that all independent variables have been accepted as all independent variables (Reward and Recognition, Training and Development, Work-life Balance, Compensation and Benefits, Employee Engagement and Performance Management) have an impact and effect the dependent variable (Employer of Choice).

## **Findings & Recommendations**

Following are the recommendations as per the findings and results that can help the organization to adopt new HR policies that can make an organization an employer of choice. These are few recommendations that are associated with the mentioned variables in this research.

### ***Reward and Recognition***

1. Reward and recognition policies should be based upon pay for performance culture where employees are given reward and recognition not just on the basis of how long they worked in the organization but also in terms of their current performance, their past performance, and also on how well they have developed their skills and competences.
2. Reward and recognition should be given as per market competitive or higher than what your competitors are offering so that the current employees should remain retained.
3. Organizations can conduct reward and recognition surveys to identify where they stand in terms of the reward and recognitions they provide to their employees in contrast to their competitors, and make revisions accordingly to their reward and recognition scheme/policy.

### ***Training and Development***

1. An organization-wide training needs analysis should be conducted every year highlighting every individual employee training requirement so that they can be trained accordingly for the skills they require.
2. The employees should be given a self-training needs analysis so where they can highlight what skills that they would like to be trained upon respectively.

### ***Work-life Balance***

1. Telecommuting policy can be introduced in the organization, employees will be able to effortlessly manage their family and professional life together without suffering any issues, and the company will be able to perform its tasks regardless of the location (whether it the workplace or the employee's home).
2. A part-time full-time job that starts at 9 a.m. and ends at 5 p.m. Having flexible work hours essentially implies that employees can start working sooner or later in the day without the

fear of getting fined. Undoubtedly, this would play a great role for employees to manage and balance their work life balance.

### ***Compensation and Benefit***

1. Proper compensation and benefits policies should be in place and every employee must be aware of those policies and the package which organization is offering should match what the competitors are offering or should be higher so that would help them retain their employees.
2. Regular compensation and benefit surveys should be conducted by the organization to evaluate their compensation and benefit dynamics and where they stand in terms the competitors in the market, and accordingly take actions of revisions.

### ***Employee Engagement***

1. Bi-annual employee engagement survey should be conducted to identify what do employees want and what are the current feelings of employees in terms of various components of the organization.
2. Organizations should lay emphasis on employee engagement activities; hence employee engagement can be achieved through recreational activities like dinners, picnics, fun gala etc.

### ***Performance management***

1. A performance management system should be in place within the organization so that employees can be evaluated transparently without any biasness and at the same time employee would be knowing what is required from him and how does he has to perform to be rewarded and to move forward in the organization or be promoted.
2. Similarly, a performance management policy must be put in place that governs the dynamics of the organization accordingly.

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