# **Evaluating the Role of Workplace Environment on Employee Retention in Kathmandu Valley**

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#### **ABSTRACT**

This study investigated how the work environment impacts employee retention at Bhatbhateni supermarket in Kathmandu Valley. The study is guided by a quantitative research approach that involves descriptive, relational, and causal designs. The described data were gathered from 117 samples using a structured questionnaire, and the sampling method used in this study was convenient. The data were analysed using various tools, such as the mean, median, standard deviation, chi-square tests, correlation, and regression analysis. This study established the influence of each factor under working conditions on employee retention. The study revealed a significant positive association between physical, mental, and social work environment and employee retention; that is, highquality working conditions are associated with better retention. In addition, the implications of the study go beyond the specific setting and involve multiple industries and businesses. Creating a comfortable work environment is likely to enhance employees' sense of belonging and well-being, thereby bolstering their commitment to staying with the organization, ultimately fostering higher rates of employee retention, and positively influencing overall organizational performance.

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# 1. Background of the problem

Retaining key employees is becoming the top priority for human resource departments (Sinha, 2012). Employee retention is crucial to any organization's success because when team members start leaving an organization voluntarily, it can take a toll on productivity, increase unhealthy stress on remaining employees, and result in heavy expenses. Retention follows that tomorrow's thriving instructions will be those whose management styles are in sync with the reality of today's workplace, where survival and prosperity are predicted by originality, adaptability, and risk-taking (Tadesse, 2018). A steadily declining employee retention rate is a serious issue for any business organization. Talented workers leaving their current positions voluntarily is the worst-case scenario in the information, communication, and technology (ICT) industry (Alias, Othman, Loon, & Ridzuan, 2017). Retaining an employee is important for developing and achieving organizational objectives.

Keeping the right person on the right job in an organization is the key function. However, it is a challenging task to determine employees' behaviour and intentions. It is more important for managers to devise strategies to retain talented employees to benefit from the investment already made in them (Raziq & Maulabakhsh, 2015). Creating a retention-rich organization that attracts, engages, and builds lasting loyalty among the most talented employees is key to success in the modern globalized economy (Devi, 2009). Organizations adopt a variety of healthy workplace practices to retain key talent, such as creating a conducive work environment, employee involvement, the decision-making process, growth,

providing a work-life balance, financial rewards, and developing employee welfare programs (Hughes & Rog, 2008).

Employee retention can be an important source of competitive advantage for any Currently, company. poor economic. political, and social situations and different work environments, such as physical, mental, and social environments, directly influence employers' employees' relationships. Superior employees may leave a company since researchers become distinctly disappointed, unmotivated, unpaid, and underpaid (Cable & Judge, 1997). Similarly, Kim and Park (2018) revealed that positive relationships coworkers with can increase iob satisfaction and reduce turnover intentions. There is a direct connection between the physical working environment, the mental working environment, the social working environment, and employee retention in organizations (Shafiuddin & Nassibi, 2022). A successful employee retention plan helps the organization achieve its objectives and stay competitive over the long term. Modern business executives prioritize the examination and revision of employee retention strategies above everything else (Mazlan & Jambulingam, 2023).

Kaur and Dilwari (2017) found that working environments such as the physical environment, mental environment, and social environment were the supporting factors for reducing employee intention to leave the organization frequently and had a strong influence on employee retention in the organizations of Amritsar, India. In support of this, Calinao, Tabla, and Carlo (2020) observed that different work environments were the crucial factors that encouraged employees to work in an

organization. Similarly, Shafiuddin and Nassibi (2022) found that three types of working environments can affect employee retention at private sector banks in Hyderabad, India.

organizations, Nepalese employee retention has become an important and considerable topic due to its potential benefits for organizational performance and increased productivity. It helps employers to know how employees' courage to work with satisfaction and not think about leaving the organization and what factors should be considered to increase employee retention, which means hiring talented employees (Singh, 2020). Different studies performed in different places have shown different results. Most of the related research has been performed in developed countries. Hence, the findings of those studies cannot be generalized to developing countries such as Nepal. Thus, this study attempted to shed light on this issue and try to fill the research gaps by exploring the relationships between physical, mental, and social work environments and employee retention of Bhatbhateni supermarket in Kathmandu Valley.

- Is there any association between age groups and the ability to maintain a healthy work-life balance among employees?
- How does the physical, mental, and social work environment influence employee retention?
- What are the effects of physical, mental, and social work environment on employee retention?
- Which dimension of employee retention has a more influential role?

# 2. Objectives of the study

The goal of this study is to determine the effects of the work environment on employee retention. The main objectives of this study are to examine the significant relationships among the physical work environment, the mental work environment, the social work environment, and the dependent variable of employee retention. This study has the following specific purpose.

- To determine the association between age groups and the ability to maintain a healthy work-life balance among employees.
- To analyse the relationships between physical, mental, and social work environments and employee retention.
- To examine the effects of physical, mental, and social work environments on employee retention.
- To examine the most influential dimension of work environment.

# 3. Literature survey

Job embeddedness theory and expectancy theory were employed to examine the variables influencing employee retention in various work settings. Mitchell, Holtom, Lee, Sablynski, and Erez (2001) presented the job embeddedness theory, which examines why employees remain in their occupations. The theory looks at what keeps employees engaged in an organization rather than just why they depart. According to theory, workers are less likely to desire to quit when they have a strong sense of belonging at work due to factors such as supportive policies, job stability, and fair treatment. Khan, Aziz,

and Latif (2018) noted that cultural values can affect how people evaluate their work and rewards, including whether they place more importance on individual achievement or harmony within the group. Research holds that when employees see a positive work environment, they are more likely to stay motivated and committed to their jobs and reduce retention rates.

Similarly, expectancy theory is used to understand how employee commitment and motivation are impacted by the work environment. Vroom (1964) developed expectation theory, which explains what motivates people at work. Theoretically, employees are most motivated when they believe that putting in greater effort will result in better performance and benefits. Chen and Miller (1994) noted that cultural values could affect how people evaluate their work and rewards, including whether they place more importance on individual achievement or harmony within the group. Research holds that when employees see a positive work environment, they are more likely to stay motivated and committed to their jobs and reduce retention rates.

Employee retention is paramount for organizational success (Nasir & Mahmood, 2016). It involves implementing strategies that encourage valuable employees to stay with the company for extended periods. Factors such as supportive leadership, opportunities for career growth, competitive compensation, and positive work environments play pivotal roles in influencing retention rates (Tadesse, 2018). When employees feel appreciated and engaged, they are more inclined to remain committed to the organization (Tansuria & Nelwan, 2018). Prioritizing employee satisfaction and addressing employee

needs are crucial steps in fostering a culture of loyalty and reducing turnover rates (Yousuf & Siddiqui, 2019). Ultimately, organizations that focus on retaining their top talent are positioned for long-term success (Chandrasekara, 2020).

Shafiuddin and Nassibi (2022) and Fathima and Raman (2022) also investigated the aspects of the work environment and how they affect employee retention. Fathima and Raman (2022) examined the impact of the work environment on employee retention in privately owned banks. Research revealed a favourable correlation between the retention rates of private bank workers and a work environment characterized by flexibility and efficient management. Additionally, Tadesse (2018) recognized the importance of the workplace in keeping workers, albeit in various organizational situations. The results indicated that greater employee retention rates in Ethiopian public organizations were largely attributable to a favourable work environment

Furthermore, Shafiuddin and Nassibi (2022) emphasized the significance of the physical workspace, claiming that it has a significant influence on employee retention. The results of the study support the findings of (Raziq & Maulabakhsh, 2015) that a well-designed workspace improves comfort, productivity, and overall satisfaction and reduces employee retention. The physical working environment plays a critical role in influencing employees' decisions to stay in the organization. Drawing from earlier studies, the following hypotheses were proposed:

A more conducive physical work environment leads to a higher rate of employee retention.

According to Soelton, Luiza, and Putra (2019), the mental working environment encompasses all circumstances that are associated with interactions at work, including those with superiors and subordinates. A positive working environment can boost morale among employees and enhance their likelihood of making a long-term commitment to the company, which can ultimately result in higher retention rates (Shafiuddin & Nassibi, 2022). More precisely, the aspects of the work environment that are essential to employee behavior can be considered part of the mental work environment (Briner, 2000). The study hypothesizes.

In a workplace with an exceptionally positive mental work environment, there will be a remarkable increase in employee retention.

Fostering a culture of respect for employees at all levels within an organization is crucial for achieving success in promoting innovation and growth (Amible & Kramer, 2011). The social work environment and employee retention were found to be positively correlated in the study (Shafiuddin & Nassibi, 2022). Sumiyati, Masharyono, Purnama and Pratama (2016) reported the same findings in their analysis of Indonesian manufacturing enterprises. According to one study, a social working environment exists when friends and seniors support a person in carrying out their job well. Based on prior research, the following hypothesis was developed:

As the quality of the social work environment improves, employee retention rates increase.

Figure 1 presents the research framework. The research framework shows the relationships between independent variables (physical work environment, mental work environment, and social work environment) and a dependent variable (employee retention) in this study.

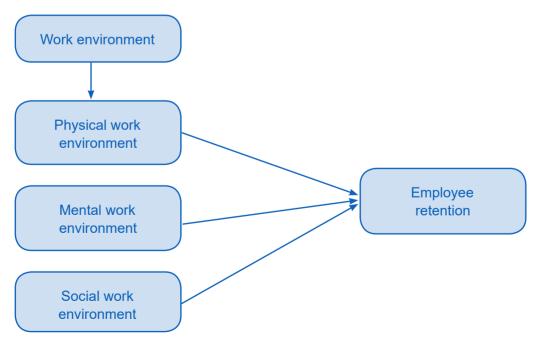


Figure 1. Research framework of the study

The physical work environment comprises all the physical conditions where employees work or work areas and is concerned with exposure to vibration and noise, exposure to light, and the safety of the working area (Shafiuddin & Nassibi, 2022). The physical working environment plays a critical role in influencing employees' decisions to stay with an organization (Raziq & Maulabakhsh, 2015). The physical working environment encompasses the conditions in which employees conduct their work.

A positive mental work environment can boost morale among employees and enhance their likelihood of making a longterm commitment to the company, which can ultimately result in higher retention rates (Shafiuddin & Nassibi, 2022). The mental work environment is one of the conditions and factors that influence an individual's cognitive and emotional wellbeing during work. A positive mental work environment contributes to a healthy environment where employees feel valued and motivated. In contrast, a negative mental work environment can lead to stress. demotivation, and increased retention (Soelton, Luiza, & Putra, 2019).

A positive social work environment is characterized by effective teamwork, mutual respect, and open communication among colleagues. At the same time, a negative social working environment may involve conflicts, a lack of cooperation, and dissatisfaction (Sumiyati, Masharyono, Purnama, & Pratama, 2016). A social work environment is a setting and culture in which employees interact, collaborate, and support each other to achieve targeted goals. An employee works in a variety of environments, such as government agencies and health care settings. The

social working environment includes employee communication tactics as well as how supervisors and subordinates interact (Shafiuddin & Nassibi, 2022).

Employee retention is the process of encouraging employees to stay with the organization for extended periods (Fathima & Raman, 2022). It involves keeping valuable employees within the company and ensuring the right fit between individuals and their roles (Walangitan, Pangemanan, & Tumewu, 2014). Factors such as supportive leadership, opportunities for career growth, and positive work environments play pivotal roles in influencing retention rates (Tadesse, 2018).

# 4. Research methodology

A quantitative research approach is employed to investigate the relationships between physical, mental, and social work environments and employee retention. Similarly, the study used job embeddedness theory and expectancy theory as part of deductive reasoning. To handle complex inquiries, descriptive, relational, and causal research designs were used. Descriptive research was utilized in this research to determine the attributes of the sample, the characteristics of the collected data, and the factors affecting employee retention. It also helps to demonstrate the status of the variables. This study employed a relational research design to explore the potential relationships between physical, mental, and social work environments and employee retention. It served to decode whether one thing was relevant to another, such as how the work setting affected whether employees stayed or left their jobs. This study took a casual approach to investigate how different factors affect each other.

The targeted population of the study is the employees of Bhatbhateni supermarkets inside the Kathmandu Valley. As of January 2023, there were 13 Bhatbhateni supermarkets inside Kathmandu Valley, including Kathmandu, Lalitpur, and Bhaktapur districts, and there were approximately 4500 employees in total (Mahatto, et al., 2023). The study selected four Bhatbhateni supermarkets in Kalanki, Koteswor, Tripureswor, and Satdobato as sample organizations. The study used a convenience sampling method due to the proximity of the researcher and to collect the data quickly and easily. There were 665 employees in selected supermarkets. Out of 655 population, the required sample size is 117, which follows the rule that requires sampling at a 95% confidence level with  $\pm$  8% margin error (Daniel, 1999). The structured questionnaire was distributed among 117 respondents between February 19th - 21st 2023.

This research primarily drew upon first-hand data sources, placing significant emphasis on gathering primary data and information. A well-crafted and self-administered structured questionnaire was used to collect these valuable data. This questionnaire was designed exactly, taking inspiration from previous employee surveys while incorporating slight language clarification to ensure clarity and relevance. To interpret the physical work environment, all items were extracted from the scale developed by Hedge et al. (2004). To evaluate the mental work environment, all items were removed from the study of (Demerouti, Bakker, Nachreiner, & Schaufeli, 2001). The social work environment was assessed using four items taken from the study of (Eisenbeiss, Knippenberg, & Boerner, 2008), and to assess employee retention, four items were abstracted from a scale developed by Karasek (1979). Some questions could be answered with "yes" or "no" questions where respondents put things in order from most important to least important, and questions with a scale to show how much things such as the workplace, feelings, and relationships with coworkers matter for keeping your job.

The research employed a variety of and descriptive statistical techniques throughout the investigation, such as frequency analysis, percentage calculations, bar diagrams, measures of central tendency such as the mean and median, and measures of dispersion such as the standard deviation. These methodologies played a crucial role in examining different aspects of the dataset being examined. Through the utilization of these various analytical methods, the study was able to present a comprehensive comprehension of the data and uncover subtle relationships between various factors. In this study, a regression model was used to determine how the independent variables connected to the dependent variables. This method helps to create an equation, a theoretical model that shows how these variables are linked.

 $Y = a+b_1x_1+b_2x_2+b_3x_3+e$ Where,

Y = Employee retention

a = Intercept

 $x_1 = Physical work environment$ 

 $x_2$  = Mental work environment

 $x_3$  = Social work environment

b<sub>1</sub> = coefficient of physical work environment

b<sub>2</sub>= coefficient of mental work environment

b<sub>3</sub>= coefficient of social work environment

e = error term

# 5. Presentation and analysis of the data

The study conducted thorough examination of primary data by distributing questionnaires physically to employees of Bhatbhateni supermarkets. This empirical investigation involved a field survey with a structured questionnaire distributed among a selected sample of employees. The survey data were first entered into MS Excel and then examined using various statistical methods. The survey questionnaire utilized various response formats. including descriptive questions with yes or no options. The collected responses were meticulously organized, tabulated, and analysed to facilitate a descriptive examination of the study. Employee profiles were categorized based on gender, age group, work experience, and monthly income, providing insights into the diverse perspectives within the workforce. To gather information on employee retention, the questionnaire was analysed using various tools, such as descriptive tools, correlation analysis tools, and regression analysis tools.

Figure 2 breaks down the participants' details based on gender. The number of male and female participants was not the same. Of the 117 respondents from Bhatbhateni supermarkets, 39 were male, and the remaining 78 were female. The findings indicate that the sample had more

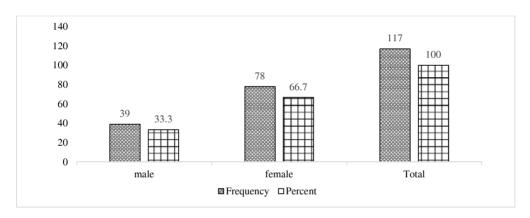


Figure 2. Gender of the respondents

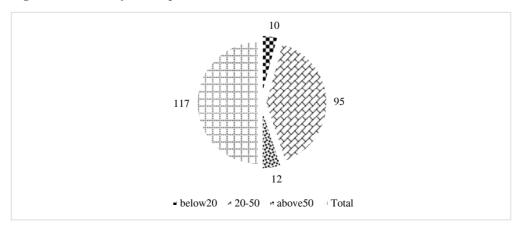


Figure 3. Age group of the respondents

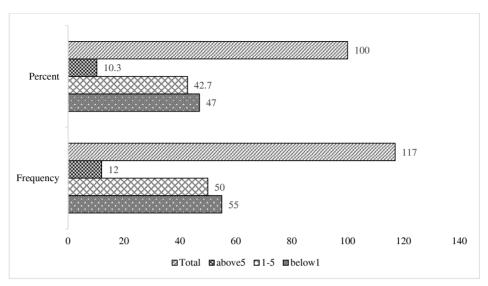


Figure 4. Work experience of the respondents

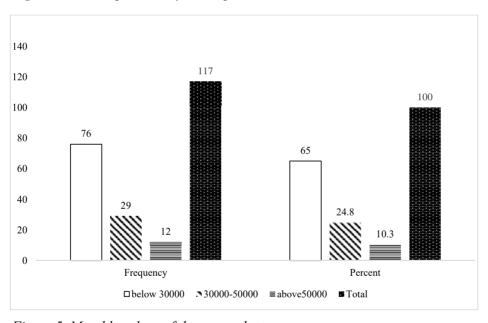


Figure 5. Monthly salary of the respondents

females than males, with 66.7 percent female respondents and 33.3 percent male respondents.

The figure illustrates the respondents' characteristics categorized by age group. Among the 117 respondents, 10 were

younger than 20 years, 95 were between 20 and 50 years, and 12 were older than 50 years. Specifically, 8.5 percent fall in the below 20 years category, 81.2 percent in the 20-50 age group, and the remaining 10.3 percent are above 50 years, as shown in *Figure 3*.

Figure 4 depicts the work experience of the study participants. Among the 117 respondents, 55 had 1 year or less of experience, 50 had 1 to 5 years of experience, and 12 had more than 5 years of experience. Specifically, 47 percent have 1 year and less of experience, 42.7 percent have 1 to 5 years, and the remaining 10.3 percent have over 5 years of experience, as detailed in the results.

Figure 5 shows the participants' details based on the monthly salary of the study participants. Of the 117 respondents, 76 had Rs less than 30000, 29 had Rs between 30000 and 50000, and the remaining 12 had monthly salaries greater than 50000. Specifically, 65% of respondents fall into the below 30000 categories, 24.8% fall into the 30000 to 50000 categories, and the

remaining 10.3% fall into the above 50000 monthly salary category.

Table 1 presents key statistical measures for the four work environment variables. The physical work environment had a mean of 3.79, indicating overall satisfaction, with a consistent response reflected by a low standard deviation (0.71), median (4), and variance (0.51). The mental work environment, with a mean of 3.68, shows positive perceptions and moderate (standard deviation: variability 0.74. median: 3.75, variance: 0.55). Similarly, the social work environment, with a mean of 3.65, indicates positive sentiment and moderate variability (standard deviation: 0.73, median: 3.75, variance: 0.53). On the topic of employee retention, the mean is 3.42, suggesting positive sentiment but with

Table 1
Descriptive statistics

Variables	Mean	Median	Std. Deviation	Variance
Physical work environment	3.79	4.00	0.71	0.51
Mental work environment	3.68	3.75	0.74	0.55
Social work environment	3.65	3.75	0.73	0.53
Employee retention	3.42	3.50	0.79	0.62

Table 2 Correlations between variables under study

Variables		PWE	MWE	SWE	ER
PWE	Pearson Correlation	1			
	Sig. (2-tailed)				
MWE	Pearson Correlation	.655**	1		
	Sig. (2-tailed)	0.001			
SWE	Pearson Correlation	.648**	.719**	1	
	Sig. (2-tailed)	0.001	0.001		
ER	Pearson Correlation	.664**	.717**	.738**	1
	Sig. (2-tailed)	0.001	0.001	0.001	

<sup>\*\*</sup> Correlation is significant at the 0.01 level (2-tailed).

Table 3			
Impact of physical,	mental and socia	l work environment	on employee retention

Coefficients <sup>a</sup>	Unstandardized Coefficients		4	Sic	F	Sic	Adjusted
		Std.	t	Sig.	Г	Sig.	R Square
	В	Error					
(Constant)	-0.174	0.261	-0.668	0.505			
PWE	0.248	0.087	2.83	0.006	67.669	0.001	0.633
MWE	0.317	0.092	3.443	0.001			
SWE	0.409	0.093	4.404	0.001			

a Dependent Variable: Employee retention

greater variability (standard deviation: 0.79, median: 3.5, variance: 0.62). Overall, these statistics provide insights into employees' perceptions of their retention factors.

Table 2, the Pearson correlation coefficients between four workplace variables, physical, mental, social, and employee retention, are presented. The correlation coefficient between physical work environment (PWE) and employee retention (ER) is 0.664, that between mental work environment (MWE) and employee retention (ER) is 0.717, and that between social work environment (SWE) and employee retention (ER) is 0.738. The associated p value of all three variables is 0.001, which is less than the conventional significance level of 0.01. Overall, these statistics provide insights into employees' perceptions of their retention factors. This indicates a statistically significant positive correlation between the perceived quality of the independent variables (physical, mental, and social work environment) and the dependent variable (employee retention).

Table 3 shows that the regression analysis results for the PWE, MWE, and SWE predictors were 2.83, 3.443, and 4.404,

respectively. The associated "Sig." values for PWE, MWE, and SWE were 0.006, 0.001, and 0.001, respectively. These values represent the probability of observing the results if the null hypothesis was true. A low "Sig." value suggests a significant relationship, as observed for all three predictors. The "F" statistic for the overall model is 67.669, with a corresponding significance level (Sig.) of 0.001, indicating a highly significant relationship between the predictors (PWE, MWE, and SWE) and employee retention. Additionally, the adjusted R square of 0.633 suggests that approximately 63.3% of the variance in employee retention can be explained by the predictors PWE, MWE, and SWE.

In *Table 4*, the Pearson chi-square tests and likelihood ratio showed no significant associations at the 0.05 significance level, with p values of 0.073 and 0.063, respectively. However, the linear-by-linear association test revealed a significant linear trend (p = 0.035), indicating a discernible relationship between the variables. The results show an insignificant association between age group and the ability to maintain a healthy work-life balance, with a significance value of 0.073, which is more than the 0.05 significance level or 95%

Table 4
Chi-square test between age group and ability to maintain healthy work-life balance

Chi-Square Tests	Value	df	Sig. (2-sided)
Pearson Chi-Square	5.245ª	2	0.073
Likelihood Ratio	5.517	2	0.063
Linear-by-Linear Association	4.445	1	0.035

a 1 cells (16.7%) have expected count of less than 5. The minimum expected count is 4.79.

confidence level. This suggests that while there may not be a general association, there exists a noteworthy linear pattern in the data.

#### 6. Findings and discussion

This research endeavours to provide a comprehensive understanding of the factors influencing employee retention by exploring the relationships among and impacts of three dimensions of the work environment: physical, mental, and social. Specifically, focusing on employees at Bhatbhateni within the Kathmandu Valley, this study aimed to assess potential variations in these environmental variables across different age groups. Employing a quantitative research approach, the study utilizes various tools, including descriptive, correlational, and causal research designs. Primary data were collected from structured questionnaires, and subsequent analysis employed statistical measures such as the mean, median, mode, standard deviation, variance, independent sample t test, correlation, and regression. The condensed findings outlined below reveal meaningful insights derived from systematic data analysis, contributing valuable knowledge to the understanding of employee retention in this specific context. The chi-square test between age group and the ability to maintain a healthy work-life balance among employees revealed an insignificant association, with a significance value of 0.073, which is more than the 0.05 significance level or 95% confidence level. This suggests that there may not be a general association between age group and the ability to maintain a healthy work-life balance among employees.

The chi-square test between the age group and the ability to maintain a healthy work-life balance among employees of the Bhatbhateni superstore revealed an insignificant association, with a significance value of 0.073, which is more than the 0.05 significance level or 95% confidence level. This suggests that there may not be a general association between age group and the ability to maintain a healthy work-life balance among employees.

The relationship between the physical work environment and employee retention is positive and significant at the 0.01 level, or 99% confidence level, with a correlation coefficient of 0.664, which means that the more conducive the physical work environment is, the higher the rate of employee retention.

The relationship between mental work environment and employee retention is also found to be positive and significant at the 0.01 level or 99 percent confidence

level, with a correlation coefficient of 0.717, indicating that in a workplace with an exceptionally positive mental work environment, there will be a remarkable increase in employee retention rates.

The impact of the social work environment on employee retention is found to be positive and significant at the 0.01 level or at the 99% confidence level, with a correlation coefficient of 0.738, which means that as the quality of the social work environment improves, the employee retention rate correspondingly increases.

The results of the data analysis revealed that the physical work environment has a positive and statistically significant correlation with employee retention. This positive correlation indicates that a welldesigned physical work environment tends to increase employee retention in the case of the Bhatbhateni supermarket operating within the Kathmandu Valley. A positive and significant relationship between the physical work environment and employment retention can be observed when the workplace provides a comfortable, safe, and conducive atmosphere. Physical factors such as ergonomic workspaces, good lighting, and appropriate facilities contribute to employee well-being. When employees are physically comfortable and feel that their health is prioritized, job satisfaction and overall morale can increase. A positive physical environment can reduce stress and contribute to a higher quality of work life, fostering a sense of attachment to the organization and increasing the likelihood of employees staying with the company. These findings are also supported by previous research in which (Tabasum, Siddiqui, & Shabbir, 2021) also observed a positive relationship between employee retention and the physical working environment. Sumiyati, Masharyono, Purnama, and Pratama (2016) and Shafiuddin and Nassibi (2022) also observed a positive significant relationship between the working environment and employee retention.

Similarly, in this study, it was determined that the mental work environment has a positive and significant relationship with employee retention, which implies that the development of a better psychological work environment positively affects the functionality of an employee, which leads to increased employee retention. A positive and statistically significant relationship between a positive mental work environment and employee retention is evident when employees experience reduced stress, better mental well-being, and a supportive atmosphere. This positive mental environment can lead to increased employee morale and a greater likelihood of long-term commitment to the organization, ultimately contributing to higher retention rates. This same finding was also observed in a previous study (Shafiuddin & Nassibi, 2022).

The relationship between the social work environment and employee retention is found to be positive and significant in this research. The positive and significant relationship between a supportive social work environment and employment retention can be attributed to increased job satisfaction, stronger interpersonal relationships, and a sense of belonging. When employees feel supported, valued, and connected with their colleagues, they are more likely to stay with their current employer, leading to improved retention rates. Additionally, a positive work culture fosters employee retention, which can contribute to greater job performance

and commitment to the organization. Similar results were found in previous research where Shafiuddin and Nassibi (2022) observed a positive relationship between employee retention and the social working environment. This finding was also observed in a study of the manufacturing companies of Indonesia Sumiyati, Masharyono, Purnama, and Pratama (2016).

#### 7. Conclusion

This study revealed that physical, mental, and social factors in the work environment all affect retention. Surprisingly, physical improvements may lead to lower retention. However, mental and social factors, such as job satisfaction and relationships with colleagues, strongly influence retention and loyalty. Similarly, while performing a chi-square test between age group and the ability to maintain a healthy worklife balance among employees, there may not be a general association test between age group and the ability to maintain a healthy work-life balance among employees. This study highlights the key factors that affect employee retention at Bhatbhateni supermarkets in Kathmandu. The study revealed that improving the physical workspace (comfortable seating and adequate lighting) is linked to lower retention rates. Specifically, an increase in the quality of the physical work environment is associated with a decrease in employee retention at Bhatbhateni. The study revealed that employees who feel supported and have a sense of purpose are more likely to stay with the company. This suggests that improvements in the mental work environment positively influence employees' decisions to remain with the company. The study revealed that positive relationships with colleagues, a sense of community, and an inclusive company culture contribute to employee retention. Furthermore, an increase in the quality of the social work environment is associated with less employee retention at Bhatbhateni. As the quality of the social work environment improves, employee retention correspondingly increases.

By addressing these factors, Bhatbhateni supermarkets can create a workplace that fosters employee commitment and reduces turnover. The study emphasizes the importance of the workplace for how long employees stay with a company. Improvements in the physical (such as the layout of the workplace), mental (such as growth opportunities), and social (such as good relationships with coworkers) aspects of the workplace at Bhatbhateni have been linked to employees staying with the company longer. Creating a positive work environment is crucial for keeping employees at Bhatbhateni. By improving the physical, mental, and social aspects of the workplace, companies can increase employee satisfaction and lovalty, which leads to overall success.

# 8. Implications of the study

The study's findings extend beyond the Bhatbhateni supermarket in Kathmandu Valley, offering insights applicable to diverse businesses. By highlighting the critical link between the work environment employee retention, this provides valuable guidance for companies. Understanding the importance of fair compensation and a supportive culture can enhance satisfaction and retention rates, boosting business performance. Tailoring retention strategies to specific work environment metrics helps address unique challenges, such as prioritizing mental wellbeing in competitive sectors. Moreover,

insights from the study can inform strategic decision-making, guiding investments for maximum impact on employee satisfaction and organizational success. Overall, this research offers essential advice for businesses aiming to attract and retain top talent in a competitive market. The study underscores the significance of valuing employees and fostering a positive work atmosphere, which can lead to greater productivity and success across industries. By focusing on targeted retention methods, businesses can create environments that attract and retain top talent, ultimately contributing to long-term growth and prosperity.

# 9. Limitations and direction for future research

The study's limitations include its small participant size, potentially limiting its relevance to a wider employee population. Additionally, its exclusive focus on three dimensions of the work environment-

physical, mental, and social-may not capture the full spectrum of workplace dynamics. Furthermore, the study's validity hinges on the accuracy of the information provided by participants. This study's questionnaire, which relies on closed-ended questions and a limited scope of inquiries, failed to capture detailed or pertinent information on employee retention. By integrating openended questions and expanding the range of topics covered, researchers could uncover more relevant insights. Additionally, the study suffered from a small sample size, potentially compromising the reliability of its findings. Therefore, it is crucial for subsequent studies to prioritize increasing the sample size to enhance the reliability and generalizability of the results. The research exclusively employed a quantitative approach, utilizing questionnaires for data collection. To enhance the depth of understanding of the studied phenomenon, future researchers could adopt a mixed-methods approach, combining both qualitative and quantitative methodologies.

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