

An Analysis of Employee Recruitment Process and Employee Retention Strategy at Kennametal India Limited, Bengaluru

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ABSTRACT

"An Analysis of Employee Recruitment Process and Employee Retention Strategy at Kennametal India Limited" investigates two critical components of human resource management: the recruitment process and employee retention policies. The major purpose is to evaluate the effectiveness of recruitment processes and investigate the elements that influence employee retention, while also establishing a link between effective hiring and long-term employee loyalty.

The study uses a mixed-methods approach, including surveys, interviews, and data analysis, to analyse various recruitment procedures, from candidate sourcing to onboarding, as well as retention measures such as remuneration, career progression prospects, and work-life balance. To analyse the research used a **T- Test** as a statistical tool. The research highlights strengths and flaws in current processes and makes actionable recommendations to improve recruitment and retention efforts. The findings are intended to add to Kennametal India Limited's human resource strategy, which are aligned with the company's aims of sustainable growth and employee engagement.

Keywords: Employee Recruitment, Retention Strategy, Workforce Management, Talent Acquisition, Employee Engagement, Work-life balance

1. INTRODUCTION:

In today's fiercely competitive corporate world, acquiring and retaining top personnel has become an essential component of organizational success. Companies from a variety of industries are increasingly understanding the importance of an efficient recruitment process and a strong employee retention strategy in developing a talented, motivated team. Effective staff recruitment and retention are critical to organizational success, particularly in competitive industries. Kennametal India Limited, a prominent manufacturing business situated in Bangalore, relies on strategic HR approaches to attract and retain top people. Recruitment is the process of identifying, recruiting, and employing talented people using a disciplined approach that includes job analysis, sourcing, assessments, and selection. Retention focuses on increasing employee satisfaction through engagement, career development, competitive compensation, and a supportive work environment.

The Employee Recruitment Process and Employee Retention Strategy seeks to provide a comprehensive assessment of how firms handle two critical components of human resource management: recruiting and retaining personnel. It examines the recruitment process, evaluating how well firms attract, select, and onboard new talent. This includes evaluating recruitment tactics, efficiency, and problems faced. Simultaneously, the study looks at employee retention tactics, including how firms maintain job satisfaction, career growth, and work-life balance in order to keep their employees engaged and prevent turnover. Furthermore, the study investigates the relationship between recruitment and retention, specifically how a well-executed recruitment process can improve retention and how good retention techniques might influence future recruitment attempts.

2. RESEARCH METHODOLOGY

Kennametal India Limited's staff recruiting and retention strategy will be analysed using a mixed-methods approach that combines descriptive and exploratory research. Primary data will be gathered through structured interviews and surveys of HR managers and employees, with an emphasis on the success of recruitment techniques, employee engagement, and retention initiatives. Secondary data will be acquired from company reports, human resource records, and relevant academic literature to offer context. Interviews will be conducted using a purposive sample technique, while surveys will employ random sampling. The qualitative data will be thematically analysed, while the quantitative data will be analysed using statistical methods to detect trends and efficacy. Ethical rules will be followed to ensure confidentiality and informed consent. This comprehensive methodology will provide useful insights into the recruitment and retention procedures of Kennametal India Limited.

2.1 OBJECTIVE OF THE STUDY

1. To Evaluate the effectiveness of recruitment strategies to assess their impact on quality hires and organizational fit.
2. Identify key drivers of employee retention such as career growth, compensation, and job satisfaction.
3. Explore the link between recruitment and retention to understand how hiring practices affect long-term retention.
4. Provide actionable recommendations to improve recruitment and retention strategies for cost-efficiency and sustainability.

3. REVIEW OF LITERATURE

1. **Gupta, A., & Mishra, S. (2023),** The article "The Role of AI in Transforming Recruitment Processes and Its Impact on Employee Retention" investigated how recruitment techniques affect employee retention in the Indian manufacturing industry, emphasizing the necessity of aligning recruitment procedures with organizational culture and values. Research indicates that hiring individuals who align with the corporate culture, establishing clear job objectives, and offering complete onboarding programs lead to higher employee retention rates. Positive recruitment experiences, which include transparency and professionalism, increase early employee engagement and reduce attrition. According to the report, smart recruitment has a significant impact on both initial hiring success and long-term staff retention.

2. **Samuel, M. O., & Peter, O. M. (2022),** "The Impact of Employee Benefits on Retention and Organizational Performance". This study found that effective talent management, including identifying key talent, offering development opportunities, and ensuring career progression, significantly enhances employee retention in emerging economies. Organizations that align talent management with their goals and offer competitive rewards experience lower turnover rates. This explores how employee benefits influence both retention rates and organizational performance. It emphasizes that offering competitive benefits, such as healthcare, retirement plans, and flexible working arrangements, leads to higher employee satisfaction, reducing turnover and improving retention.

3. Ng, E. S. W., & Burke, R. J. (2021), "The Role of Organizational Culture in Employee Retention". This study found that a strong organizational culture enhances employee retention by promoting well-being, recognition, and growth opportunities. Such a culture fosters commitment and job satisfaction, while effective leadership plays a crucial role in nurturing this environment, ultimately reducing turnover rates. This examines how organizational culture plays a critical role in retaining employees. The authors argue that a positive, inclusive, and supportive culture creates a sense of belonging and loyalty among employees. It suggests that HR managers should focus on building a culture that aligns with employee values to reduce turnover and improve organizational stability.

4. Talya, B., & Baruch, Y. (2020), "The Importance of Work-Life Balance in Employee Retention". A study found that work-life balance is crucial for employee retention, increasing job satisfaction and loyalty. Organizations that provide flexible work arrangements have reduced turnover rates, demonstrating that addressing work-life balance benefits both employee well-being and organizational performance. The authors contend that firms that implement supporting policies, such as flexible working hours and wellness initiatives, are more likely to retain employees. They discovered that a healthy work-life balance leads to increased job satisfaction and dedication, which improves organisational performance.

5. Kahn, W. A. (2019), "Engagement: A Theoretical Framework for Understanding Employee Retention". This study related employee engagement to retention, claiming that increased engagement results in decreased turnover. He described engagement as the complete involvement of employees' physical, cognitive, and emotional self in their work, citing elements such as meaningfulness, safety, and resource availability as important. According to the report, supporting leadership and a positive work environment can increase engagement, allowing firms to retain talent and improve performance.

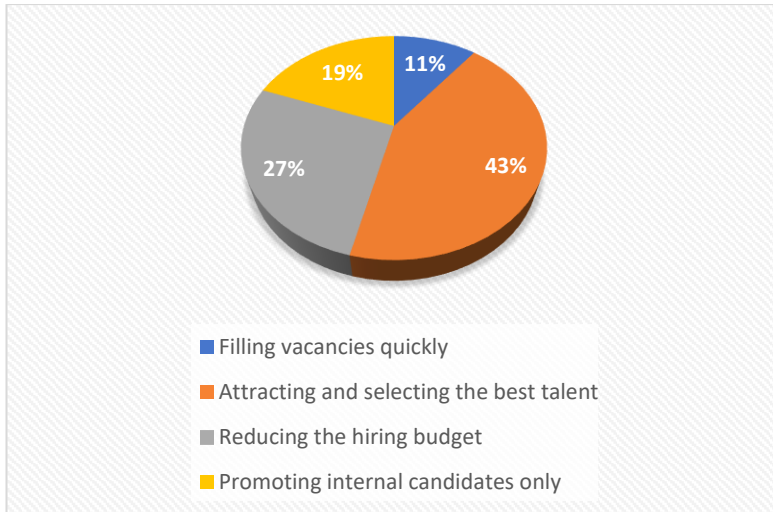
4. DATA METHODOLOGY

Table 4.1: About primary goal of the recruitment process at Kennametal India Limited

Particular	No. of respondents	Percentage
Filling vacancies quickly	11	10.6%
Attracting and selecting the best talent	45	43.3%
Reducing the hiring budget	28	26.9%
Promoting internal candidates only	20	19.2%

Table 4.1

Analysis: The survey reveals that attracting and selecting the best talent is the primary focus for 43.3% of respondents, while only 10.6% prioritize filling vacancies quickly, indicating a preference for quality over speed. Additionally, 26.9% emphasize reducing the hiring budget, highlighting the need for cost-effective recruitment strategies.



Graph 4.1

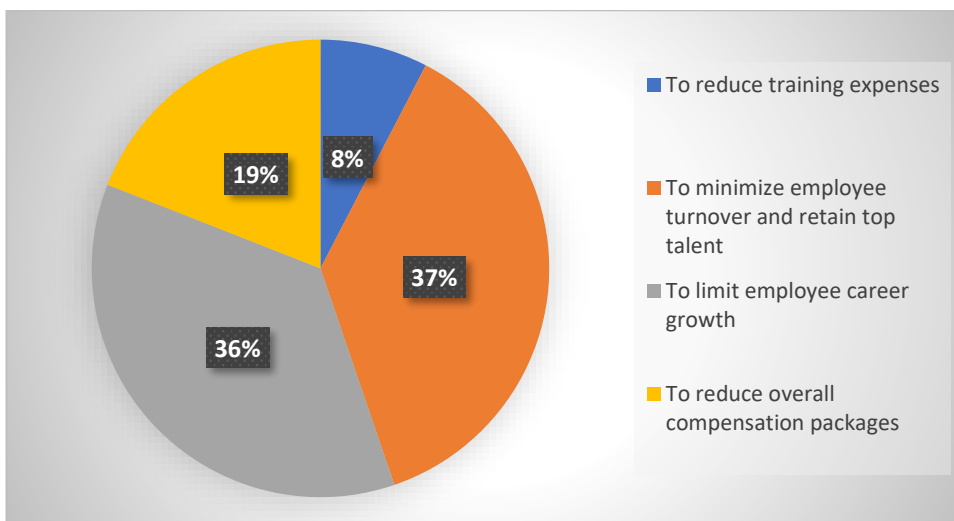
Interpretation: According to the poll, 43.3% of respondents prioritize attracting and selecting the best personnel, demonstrating a strong commitment to quality over speed in the hiring process. In comparison, just 10.6% prioritize filling vacancies fast, indicating that the firm Favors strategic hiring procedures over simply filling roles, whilst 26.9% prioritize minimizing the hiring budget, demonstrating a balance between cost management and talent acquisition.

Table 4.2: Table about the primary goal of the employee retention strategy at Kennametal India Limited.

Particulars	No. of respondents	Percentage
To reduce training expenses	8	7.6%
To minimize employee turnover and retain top talent	39	37.1%
To limit employee career growth	38	36.2%
To reduce overall compensation packages	20	19%

Table 4.2

Analysis: The majority of respondents emphasize minimizing employee turnover (37.1%) and limiting career growth (36.2%), reflecting a focus on workforce stability and cost control. In contrast, the low priority on reducing training expenses (7.6%) suggests a potential oversight of the importance of employee development.



Graph 4.2

Interpretation: The poll found that 37.1% of respondents prioritize reducing staff turnover and keeping top talent, putting a strong emphasis on workforce stability and engagement. Furthermore, 36.2% express concerns about limiting employee career growth, implying that there may be perceived barriers to advancement within the organization, while 19% are interested in reducing overall compensation packages, indicating a potential conflict between cost management and employee satisfaction.

TESTING THROUGH T- TEST

Table 4.3: Overall relationship between recruitment and retention at Kennametal India

Particulars	No. of respondents	Percentage
They are completely unrelated	13	12.5%
Recruitment significantly affects retention rates	31	29.8%
Retention is more important than recruitment	34	32.7%
They have no impact on each other	21	20.2%
Recruitment is only relevant for new employees	5	4.8%

Table 4.3

T-test calculation

- **Null Hypothesis (H0):** The mean perception score of employees regarding the relationship between recruitment and retention is equal to a hypothesized value.
- **Alternative Hypothesis (H1):** The mean perception score of employees regarding the relationship between recruitment and retention is not equal to the hypothesized value.

T-test result table

Statistic	Value
Sample size (n)	104
Sample mean (\bar{x})	2.97
Hypothesized mean (μ)	3
Standard Deviation (s)	0.85
Standard Error (SE)	0.083
t-value	-0.36
Degrees of Freedom (df)	103

Interpretation: The statistical analysis of the 104 data yielded a sample mean of 2.97, which is slightly lower than the expected population mean of 3. The calculated t-value of -0.36 shows that the difference is not statistically significant, implying that there is insufficient evidence to reject the null hypothesis that the true population mean is equal to 3. With a standard deviation of 0.85 and a standard error of 0.083, the data exhibits substantial variability around the mean. Given the degrees of freedom (df) at 103, the results suggest that, while the sample mean is lower than the expected mean, the difference could be due to random sampling variability rather than an actual difference in population averages.

5. FINDINGS:

- Kennametal India Limited's key purpose in the recruitment process is to attract and pick the top talent, as stated by 43.3% of respondents.
- Kennametal India Limited's key goal for staff retention is to reduce employee turnover and retain top talent, according to 37.1% of respondents.
- The analysis indicates that the sample mean (2.97) does not significantly differ from the hypothesized mean (3), suggesting that any observed differences could be due to random variability rather than a true effect in the population.

6. SUGGESTION:

- To enhance recruitment effectiveness, Kennametal India Limited should continue to focus on attracting top talent while implementing targeted strategies to streamline the hiring process without compromising quality.
- To improve employee retention and satisfaction, Kennametal India Limited should address career growth opportunities and ensure competitive compensation while maintaining a focus on reducing staff turnover.
- To enhance the reliability of findings, Kennametal India Limited should consider increasing the sample size in future studies to better assess the relationship between recruitment and retention.

7. CONCLUSION

The results from a t-test provide insights into whether differences between groups are meaningful or likely due to random chance. By understanding and interpreting these results accurately, researchers can make informed decisions based on statistical evidence regarding their hypotheses. Employee recruiting and retention methods at Kennametal India Limited are critical to keeping a talented, motivated, and committed workforce. By refining recruitment processes to ensure a solid cultural fit and focusing on high-potential people, the organization can create a talent pool that fuels innovation and success. Equally essential, creating a healthy work environment through professional development opportunities, mentorship, and work-life balance initiatives will increase employee happiness and loyalty. A constant feedback loop, combined with frequent assessments of employee engagement, will enable the organization to change its strategies and handle any emerging difficulties. By focusing on both recruiting and retention, Kennametal India Limited can build a long-term, high-performance culture that not only satisfies current business objectives but also positions the company for future success.

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