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A MICROANALYSIS OF EMPLOYEE RETENTION STRATEGIES: THE CASE OF SELECTED CONVENIENCE STORES AND THEIR PRACTICES

ABSTRACT

Maintaining top-tier personnel is difficult for convenience stores, as they must compete against larger businesses with higher budgets and more employee advantages. This study aimed to determine the employee retention management practices in selected convenience stores in Cavite, Philippines. It utilized a descriptive research design and convenience sampling technique to select the respondents. The data was acquired by utilizing self-constructed questionnaires and Likert-scale to determine the effectiveness of employee retention. The study found that most respondents who manage a convenience store have 1 to 9 employees, have been operating for 6 to 8 years, and were small enterprises. The study found that variables such as employee compensation, physical working environment, employee growth, engagement, and employee support were highly effective in retaining employees. The researchers recommend that employees seek a good organization that listens to them and cares about their general well-being. Respectively, managers and/or owners should develop efficient and effective strategies to retain and manage employees in a sustainable manner.

Keywords: compensation, employee retention, engagement, growth, management, working environment,

INTRODUCTION

Employees are an essential asset of an organization that provides services to consumers and serves as the organization's lifeblood (Shethna, 2022). Business needs an employee capable of getting the job done well because employee performances are crucial to the overall achievement of a company (Leonard, 2019). Considerably, it was identified that employee is a core determinant in determining the success of an enterprise (Mendoza et al., 2023). In addition, valuing and building a great relationship with employees is important as valuing the consumers is considered one of a company's key assets (Keay, 2018). Issues of globalization resulted in increasing competition in most industries. These circumstances affect every job market as the organization's demand for human resources needed to remain elevated in their designated industries and maintain an organization's competitiveness. They need to attract the best talents and retain employees in the job (Arachchillage & Senevirathna, 2017) and nowadays including, safety and sensitivity to gender roles (Mendoza & Tadeo, 2028). According to Boitnott (2020), in well compensated and engaged working environment, employees are most likely to stay in their jobs for a

long time. Considerably, Half (2022) stated that employees' competitive compensation is essential for companies in which employers need to evaluate and adjust their salaries regularly to retain employees. Hence, employers are encouraged to generate such surroundings that will support retention practices in which the employees are motivated and satisfied with their jobs (Kakar et al., 2017). Employee retention refers to the effort taken by an organization to keep high-tier and talented employees by reducing employee turnover with the implementation of a healthy work-life balance, having a positive working atmosphere, providing competitive salaries, and giving enough benefits (Sutner, 2018). According to Juneja (2015), strategic actions are required to manage employee retention to keep the employees motivated and productive in their respective organizations. Attracting and retaining employees can play a vital role in employee retention, as most employees are looking for new opportunities with bigger and better benefits. However, retaining existing employees is more cost effective and time effective than hiring new employees. This implies that, in the long run, it is cheaper for an organization to retain people than to employ new people, as it consumes time, money, and workforce resources (Mishra, 2021).

Retaining and finding the best employees are vital to the growth of an organization (Paulsen, 2021). According to Bhasin (2020), a convenience store is a retail business that typically remains open 24 hours providing essential goods and services to individuals who continue to travel and does leisure activities. However, convenience stores have needed more workers to staff accordingly. According to Seah (2020), to retain, find potential new roles, and attract top-hourly employees in the convenience store, the business must first develop its employee value proposition in which the employer offers total value to their employees in return for their work. Aside from offering competitive compensation and employee benefits, most employees are possible to remain in their jobs if they feel motivated and recognized (Burrage, 2020). Convenience store labor shortages also affect every store-associates as they strain existing resources making it challenging to provide excellent customer services and complete critical tasks. Many retailers realize that more than salaries is needed to attract and retain workers. The employees want retailers who will invest in them. They want to feel cared for, empowered, sound, and safe. Given these obstacles, new strategies are required to succeed in this uncertain and competitive industry. (Tapscott, 2021). Considerably, Callahan (2021) stated that retaining top-tier employees is challenging, especially for convenience stores, as they compete against larger retailers that often have larger budgets and can robust more employee benefits.

Thus, this study aimed to determine employee retention management practices in selected convenience stores in Cavite. Moreover, understanding employee retention management practices could pave the way for better formulation and guidelines of the companies towards the welfare of employees. Furthermore, this study could explain how enterprises will minimize employees' voluntary attrition.

3 Objectives of the Study

Generally, this study aimed to determine the employee retention management practices of selected convenience stores in Cavite.

Specifically, the research aimed to:

1. Determine the business profile of the respondents in terms of:
 - a. forms of business organization;

- b. number of employees;
 - c. length of operation; and
 - d. range of asset size;
- 2. Determine the employee retention management practices of convenience stores in terms of:
 - a. employees' compensation;
 - b. physical working environment;
 - c. employees' growth;
 - d. employees' engagement; and
 - e. employees' support;
- 3. Determine the perceived effectiveness of employee retention management practices of convenience stores in terms of:
 - a. employees' compensation;
 - b. physical working environment;
 - c. employees' growth;
 - d. employees' engagement; and
 - e. employees' support;
- 4. Provide insights to improve the employee retention practices of relevant enterprises.

LITERATURE REVIEW

A. Employee retention

Nasir & Mahmood (2018) stated that an organization must understand an employee's perspective regarding retention. The study suggests that independent variables such as supervisor support, reward & recognition, and work-life policies significantly affect employee retention. This affirms the study of Malinao & Agustin (2022), which showed that most employees are pleased with retention strategies of independent variables such as leadership, training opportunities for improvement, working environment, reward, and recognition as wellness measures and resources. Additionally, the study by Dalimunthe et al. (2018) explained that to reduce employee turnover, the organization should focus on employee job satisfaction, which is considered a main factor for their intention to leave. Using the structural equation model (SEM) and smart partial least square (smartPLS) path modeling to analyze the data gathered, the study showcased that interpersonal relationships positively impacted job satisfaction among event organizers' employees. Meanwhile, for the intention to leave of employees, the study found that role ambiguity and interpersonal relationships may minimize intention, but its impact did not somehow affect the staff's intention to leave the workplace. Degbey et al. (2021) claimed that given some variables, the acquired corporation's staff's psychological ownership was a valuable asset that, through their dedication and participation, influences employee turnover. As a result, HR managers could use it as a crucial tool to avoid or, at the very least, reduce post-merger churn. Krishnamoorthy & Aisha (2022) concluded that enhancement of employee retention had developed the strategic focus and important necessity in today's businesses. Thus, not focusing on the problem of high attrition levels can have negative consequences for businesses. Thus the organizations may ignore this problem at their own peril.

B. Factors affecting employee retention

Remuneration (bonuses) and appreciation for employees' jobs inspire the workforce. Corporate sports, specific sorts of rewards and more pay for work experience are found to be motivating factors for employee retention in the study by Chistyakov et al. (2021). It has been demonstrated that fair and assured financial compensation, clear job expectations and corporate policy, diversity in the workplace, and interest in the work are the primary drivers of employment from the employees' perspective. The study by Da Silva et al. (2020) suggested that paying extra attention, especially on compensation in regard to employee performances and staff who have received job appraisals and training, is a must. Additionally, Khalid & Nawab (2018) stated that employee compensation regulated the relationship between various forms of employee engagement and retention of employees. The study suggested that businesses in the industries of manufacturing and services should implement techniques that could increase employee voice and engagement in task-related judgments.

The study by Ito (2018) explained the importance of well-disciplined and good management of convenience store workforce operations as well as improvement of organizational performances. The findings showed that discipline was very important in maintaining cleanliness in the store to retain employees and customers. Moreover, Bibi et al. (2018) examined how the workplace influences the relationships between supervisor support, training and development, and employee retention. The results showed that the physical working environment influenced the relationship between training and development, supervisor support, and employee retention. Additionally the study of Tadeo et al. (2023) explained that the factors dealing with staffing influences the performances and delivery of green marketing strategies which is tantamount to the overall enterprise performance of green enterprises. Considerably, Reyes & Norona (2019) explored the factors that millennial workers consider before they stay or leave their jobs. Through triangulation design convergence model for mixed method research, the study revealed that the salary and benefits caused the millennials to be dissatisfied in the workplace. Considerably, the study of Harutyunyan (2019) found out that from an employee's perspective, the main factors that encourage them to stay in the organization are career advancement, developmental opportunities, compensation, and leadership relationships.

C. Human resource management practices

The study by Papa et al. (2018) explored the effects of the acquisition of knowledge on innovation performance and moderated the impact of human resource management in terms of retaining employees and HRM practices. The study concludes that knowledge acquisition positively impacts innovation performance and human resource management, which moderates the relationship between knowledge acquisition and innovation performance. Utilizing the literature review method from March 2010 to 2022, the study of Ghani et al. (2022) achieved the research questions that include the role of the human resource department in formulating and implementing employee retention and the usual reasons for a high turnover in the hospitality industry. It was found that employee retention depends on employee satisfaction, which includes four factors: growth opportunities, positive and sustainable working environment, effective recruitment, and sustainable, effective communication and selection practices. Rana & Sharma (2019) emphasize the importance of management practices in HR to cope with the new industry. The study revealed the strategies to ensure survival and success under the technology stage disruption

with the help of human power. The upper management has the biggest transformed new roles of human resources through the innovation of human resource practices.

The study of Aboramadan et al. (2019) examined how employee satisfaction and management of human resources related to organizational commitment. The study revealed that HRM practices support opportunities for career growth, which leads to more employment prospects. The study suggested that companies should place more focus on HRM practices to guarantee high employee job satisfaction levels and higher organizational loyalty. Moreover, the study of Kerdpitak & Jernsittiparsert (2020) was based on the claim that the company's HR practices, such as policies and processes, must be in line in order to receive the appropriate advantages from the engagement. The findings showed an advantageous relationship between HRM activities such as staff training, learning strategies, and competitive advantage. The research also showed that the relationship between HRM practices, including learning strategies, employee training, selection of personnel, and competitive advantage, is positively mediated by employee engagement. Considerably, Wassem et al. (2019) stated that the company's success depends on the dedicated and retained staff. Hence, it is important to allow them complete autonomy and permission to make decisions about their work that lead to better outcomes.

Conceptual framework

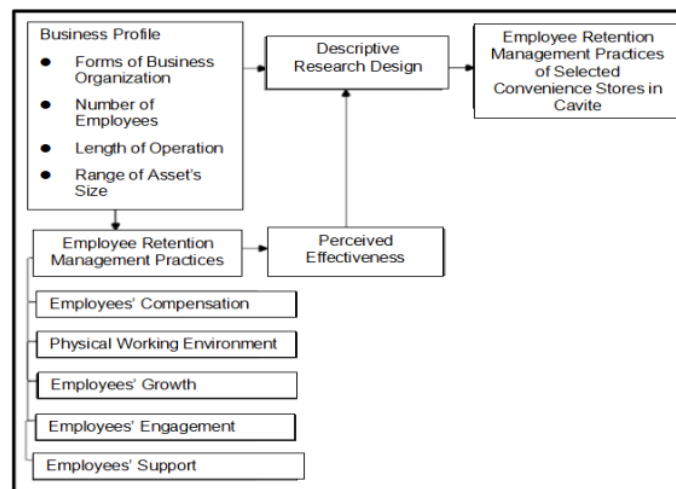


Figure 1. Study framework of employee retention management practices of selected convenience stores.

Figure 1 presents the process of conducting the research entitled employee retention management practices of selected convenience stores in Cavite. It showed that to come up with the product, and the researchers identified the business profile of the respondents. Moreover, the researchers determined selected convenience stores' employee retention management practices and their perceived effectiveness by utilizing a descriptive research design.

METHOD

4

Research design

The researcher utilized a descriptive research design in the conduct of the study. Through a descriptive approach, the profiles of respondents were determined. Considerably, this research design was used to determine the employee retention management practices of the respondents and their perceived effectiveness.

Sampling design

The researcher of the study used convenience sampling in choosing the respondents. The study's respondents are the 60 owner/s or managers of convenience stores located in selected areas of Cavite.

2

Research Instrument

The researcher employed a self-constructed survey questionnaire. It contains a mixture of open-ended and closed-ended questions regarding assessing the perceived effectiveness of management practices in retaining employees. This helps the researchers to achieve the purpose of the study. The research instrument underwent content validation from experts in related fields to test its validity and reliability. The Cronbach alpha value was calculated at 0.74. Lawshe's content validity value is calculated at 0.89.

2

Source of Data

The study utilized primary and secondary data. Primary data were utilized through a self-constructed survey questionnaire. On the other hand, the secondary data were acquired from online academic sources such as published articles, books, journals, and other academic references.

Statistical Treatment

The researcher utilized the following statistical tests in the study:

1. To determine the socio-economic profile of the respondents, frequency count and percentage were used.

Formula:

$$P = \frac{f}{n} \times 100$$

Where:

P= Percentage

f = frequency of the number of data values on the population

n = total number of data population

100 constant number

2. The mean was used to assess the perceived effectiveness of management practices in retaining employees.

3

Ethical Consideration

The researcher informed the respondents that they were part of the study, and their participation was voluntary so they could withdraw at any time. The researcher asked the participants to sign the consent form to proceed with answering the self-constructed survey

questionnaire. The researcher protected the confidentiality of the respondents. Additionally, in conducting this study, the researcher assured that no harm would be incurred.

RESULTS AND DISCUSSION

Business Profile

Table 2 shows the frequency and percentage of the business profile of the respondents in terms of the type of ownership. It showed that 45 out of 60 or 75 percent of the respondents are a corporation, and the least response of 1 out of 60 or 1.67 percent is cooperative. It indicated that the majority of the respondents who manage a convenience store are a corporation. According to the Investopedia team (2022), corporations were founded shared ownership and stockholders that accomplish the same goal.

Table 2. Business profile of the respondents in terms of type of ownership

CATEGORY	FREQUENCY	PERCENTAGE
Sole Proprietorship	7	11.67
Partnership	7	11.67
Corporation	45	75.00
Cooperative	1	1.67
TOTAL	60	100.00

Table 3 shows the frequency and percentage of the business profile of the respondents in terms of the number of employees. It implied that the participants with 1 to 9 employees had the highest participation in the study. However, the least frequency of 4 out of 60 participants has 10- 99 employees. The findings show that the majority of the respondents have 1-9 employees. This negated the findings report of NACS (2017) that the average store provides about 17 jobs- approximately 6 full-time employees, 10 part-time employees and 1 other employee, such as support staff. On the contrary, Rana & Sharma (2019) stated that the strategies to ensure survival and success under the technology stage disruption are with the help of human power.

Table 3. Business profile of the respondents in terms of the number of employees

CATEGORY	FREQUENCY	PERCENTAGE
1 to 9 employees	56	93.33
10 to 99 employees	4	6.67
TOTAL	60	100.00

Table 4 shows the business profile of the respondents in terms of length of operation. The highest value of 22 out of 60, or 36.67 percent of the respondents, operates their business for 6-8 years. Moreover, the least value of 3 out of 60 or 5 percent of the respondents, operates for 9-11 years. It showcased that most respondents have been operating for 6-8 years. This supports the study of Rakjul & Vannasathid (2020) that business operation requires maintenance of improvement in management practices to remain with the organization for as long as possible. However, according to Forbes (2019), a business takes at least 2-3 years to succeed. Reaching the year mark would take 7-10 years.

Table 4. Business profile of the respondents in terms of length of operation

CATEGORY	FREQUENCY	PERCENTAGE
Less than 3 years	9	15.00
3 to 5 years	19	31.67
6 to 8 years	22	36.67
9 to 11 years	3	5.00
More than 12 years	7	11.67
TOTAL	60	100.00

Table 5 shows the business profile of the respondents in terms of the range of asset size. As indicated, 25 out of 60 or 41.67 percent of the respondents were earning P3,000,001 to P15,000,000, and the least response of 1 out of 60 or 1.67 percent of the respondents was earning P100,000,001 above. The findings indicated that most of the respondents were small enterprises. This supports the findings of Ito (2018) that the study of employee retention may be applicable to small to medium enterprises. Moreover, small to medium enterprises were required to have capital or investments in small upfront. It plays an important role in the economy since they exceed the number of large enterprises and they often lead innovation, Liberto (2022).

Table 5. Business profile of the respondents in terms of the range of asset size

CATEGORY	FREQUENCY	PERCENTAGE
P3,000,000 below	18	30.00
P3,000,001 to P15,000,000	25	41.67
P15,000,001 to P100,000,000	16	26.67
P 100,000,001 above	1	1.67
TOTAL	60	100.00

Employee retention management practices of convenience stores

Table 6 shows the respondents' frequency and percentage of employee retention management practices in terms of employees' compensation. It revealed that the highest value of 30 percent of the responses was giving enough salary to retain employees, and the least value of 12 out of 180 or 6.67 percent of the responses was providing free meals. It indicated that most of the responses are giving enough salary as a practice to retain employees. This was supported by the study of Modau et al. (2018), that compensation contributed the most towards employee retention. On the contrary, unjust salaries and compensation are one of the issues that push employees to leave their companies (Solo, 2021).

Table 6. Employee retention management practices of the respondents in terms of employees' compensation

CATEGORY	FREQUENCY	PERCENTAGE
Giving the employees enough salary	54	30.00
Providing Christmas bonus	40	22.22
Providing free meals	12	6.67
Providing the employees' pension funds	14	7.78
Giving the employees' commission pay	14	7.78
Providing the employees with benefits	46	25.56
TOTAL	180	100.00

Table 7 presents the employee retention management practices of the respondents in terms of the physical working environment. It showed that 56 out of 200 or 28 percent of the responses are keeping the workplace clean and sanitized. Considerably, 17 out of 200 or 8.50 percent of the responses. The findings of Ito (2018) and Ghani et al. (2022) suggest that the workplace must be kept clean and sanitized to retain employees. Additionally, employee satisfaction is contingent on four factors, one of which is a positive working environment.

Table 7. Employee retention management practices of the respondents in terms of physical working environment

CATEGORY	FREQUENCY	PERCENTAGE
Keeping the workplace clean and sanitizing	56	28.00
Providing surveillance to specific parts of the workplace	34	17.00
Adding artwork and interesting decors	25	12.50
Having a goal chart tracking progress	31	15.50
Participating in community walks	17	8.50
Providing security to the workplace	37	18.50
TOTAL	200	100.00

Table 8 presents the employee retention management practices of the respondents in terms of employee growth. It showcased that 43 out of 225 or 19.11 percent of the responses are providing training, mentorship training, and seminars programs for employees. Moreover, 28 out of 225 or 12.44 percent of the responses recognize employees and team achievements. The findings revealed that most organizations are providing training, mentorship training, and seminars programs to retain employees. Baharin & Hanafi (2018) found that career development, competency mapping, employee engagement, and performance management have a significant effect on employee retention, while Aithal et al. (2021) recommended a good training program to keep personnel up to speed with technology advancements and improve their ability and performance.

Table 8. Employee retention management practices of the respondents in terms of employees' growth

CATEGORY	FREQUENCY	PERCENTAGE
Promotion of suited employee for the job	42	18.67
Providing training, mentorship training, and seminars programs for employees	43	19.11
Supporting knowledge sharing to the employees	39	17.33
Appreciation and giving value to the employees	37	16.44
Increase employee engagement	36	16.00
Recognize employees' and team's achievements	28	12.44
TOTAL	225	100.00

Table 9 shows the respondents' frequency distribution of employee retention management practices in terms of employee engagement. It showed that 44 out of 202 or 21.78 percent of the responses give appreciation and recognition to retain employees. Moreover, 22 out of 202, or 10.89 percent of the responses, recognize top employees and

reward achievements to retain employees. The employees of convenience stores became more engaged in the work by giving appreciation and recognition, which leads to employee retention. This is parallel to the findings of Solo (2018) and Fahim (2018). To retain employees, human resource professionals practice strategic human resource management, which includes appreciating employees' efforts through rewards.

Table 9. Multiple responses of employee retention management practices of the respondents in terms of employees' engagement

CATEGORY	FREQUENCY	PERCENTAGE
Giving appreciation and recognition to the employee	44	21.78
Providing positive feedback and advice to accomplish goals	38	18.81
Recognize top employees and reward achievements	22	10.89
Offer professional development opportunities and carve out career paths	25	12.38
Hearing the employees' feedback and suggestions	35	17.33
Providing employees' necessary tools and equipment to work	38	18.81
TOTAL	202	100.00

Table 10 shows the respondents' frequency and percentage of employee retention management practices in terms of employee support. It showed that 45 out of 168 or 26.79 percent of the responses are offering healthcare benefits assistance. Moreover, 16 out of 168 or 9.52 percent of the responses are offering wellness programs. Convenience stores are offering healthcare benefits assistance to retain employees, demonstrating that managers are concerned with employees' health. This validates the findings of Tsai et al. (2021), where managers believed that the key factor was healthcare, pay, work environment, hours, and the punishment and reward mechanism. It also supports Zaharee et al.'s (2018) findings that all employees wanted healthcare benefits to retain them in the organization.

Table 10. Employee retention management practices of the respondents in terms of employee support

CATEGORY	FREQUENCY	PERCENTAGE
Offering healthcare benefits assistance	45	26.79
Helping employees in achieving career objectives	26	15.48
Offering wellness programs	16	9.52
Provides individual support	28	16.67
Strengthening of roles and programs	21	12.50
Providing organizational support	32	19.05
TOTAL	168	100.00

4.3 Level of the effectiveness of employee retention management practices

Table 11 reveals the level of effectiveness of the respondents in terms of employee retention management practices. It shows that all variables, such as compensation, physical working environment, employees' growth, engagement, and support, were highly effective

in retaining employees. The categories that got the highest mean were employees' growth and support, while employees' engagement got the lowest mean of 4.30. This demonstrates that top management must consider all of these variables in order to retain employees. Moreover, top management may focus more on employees' growth and support since both got the highest mean. Ghani et al. (2022) and Arasanmi & Krishna (2019) both found that employee retention depends on employee satisfaction, which is determined by four aspects: availability of possibilities for sustainable growth, commitment to the organization, perceived organizational support (POS), and use of POS as a branding strategy.

Table 11. Level of the effectiveness of employee retention management practices

CATEGORY	MEAN	DESCRIPTIVE VALUE
Employees' compensation	4.40	Highly Effective
Physical working environment	4.40	Highly Effective
Employees' growth	4.42	Highly Effective
Employees' engagement	4.30	Highly Effective
Employees' support	4.42	Highly Effective

Insights for relevant enterprises

Offering competitive salaries to employees in order to meet their needs and encourage them to stay with their respective organizations. If applicable, other professional workers in the private and public sectors may receive additional incentives on top of their salary. It can assist employees in further supporting their daily expenses, resulting in an increase in employee productivity because they know the company has their back and financially supports them. Building and maintaining a manager-employee relationship creates a comfortable working environment. This will not only help the organization maintain good communication but will also encourage teamwork in the workplace. A positive working environment for employees can foster a positive atmosphere in the workplace by allowing all employees to communicate and share ideas, resulting in increased productivity. Employee retention may increase if training and seminars are provided, as they will believe the company cares about their professional development. Recognizing employees' accomplishments would motivate them to achieve more company goals. Hearing the employees' feedback may increase employee engagement because they will feel like they are a part of the company. Giving and supporting employees leads to job satisfaction. The organization must meet the employee's basic needs to reduce voluntary employee attrition. It also motivated them to do better and give them all if the organization cared for them in such a way that they felt valued and appreciated. Employee satisfaction is critical to an organization's success.

CONCLUSION AND RECOMMENDATION

Researchers use data facilitation, processing, analysis, and discussion to reach a conclusion and recommendation. The findings showed that most of the respondents who manage a convenience store have 1-9 employees, have been operating for 6-8 years, are small enterprises, are given enough salary, keep the workplace clean and sanitized, provide training, mentorship training, and seminars programs, giving appreciation and recognition, giving health benefits, and providing employees' growth and support. All of these variables were found to be effective in retaining employees.

Employees should seek a good organization that listens to them and cares about their well-being while also trusting their organization and being patient. Managers or owners should develop strategies to retain employees and manage employee attrition, prioritize employee needs, and show support to employees before and after hiring them to practice employee retention. Future researchers should use this study as a guide, basis, or reference and use multiple methodologies or triangulation to deepen their understanding of employee retention.

REFERENCES

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