

# Impact Of Work Environment On Job Satisfaction And Employee Retention: An Empirical Study From Private Sector Banks In Hyderabad Of Telangana State In India

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## ABSTRACT

One of the most important aspects of running a business, especially for companies in the private sector, is figuring out how to keep hold of your best employees. The work environment is one of the most important variables in determining whether or not an employee stays with an organization. The purpose of this article was to examine the workplace and its effects on employee satisfaction and retention. This quantitative study included in-depth surveys with 135 bank employees in Hyderabad, Telangana State, India. SPSS version22 was used to perform the analyses on the gathered data. The idea was put to the test with the use of a regression analysis. Increasing employee retention is a goal shared by all businesses; as such, the findings of this study will benefit both employers and workers. In this ideal scenario, every company in the world would have a better understanding of how their workplace environment influences employee retention.

**Keywords:** Work Environment, Employee retention, Job satisfaction, Banking, Indian Banking.

## I. INTRODUCTION

Challenges in retaining key employees are quickly becoming the top priority for HR departments (Sinha & Sinha, 2012). It follows that tomorrow's thriving institutions will be those whose management styles are in sync with the reality of today's workplace, where survival and prosperity are predicated on originality, adaptability, and risk-taking. This means that the dynamics of the workplace will need to accommodate a wide range of people, each with their own set of goals, worldviews, and value systems that are radically different from those of the past and from one another. The steadily declining rate of staff retention is a serious issue for any business nowadays. Talented workers leaving their current positions voluntarily is the worst-case scenario for any company (Alias et. al. 2017). This is why initiatives to retain

employees are always a major concern for organizational leaders (Gray, 2012).

Modern business executives prioritize the examination and revision of their retention strategies above everything else. According to McCullum (2010), a manager's list of responsibilities should include developing a plan to keep good employees at the company. Also, executives think that a successful employee retention plan helps their company achieve its objectives and stay competitive over the long term (Lee, Hom, Eberly, and Li, 2018). It has been widely held since the turn of the millennium that a positive work environment can help a business attract and keep top personnel (Ghosh and Sahney, 2011). In both the public and commercial sectors, the human resources management had to deal with the

problem of employees leaving the company for various reasons, such as retirement or voluntary resignation. Thus, this problem also added to the price tag of various processes including hiring managers, creating job descriptions, and educating new employees (Perryer, Jordan, Firms, and Travaglione, 2010). Avoiding high rates of employee turnover can have a beneficial and negative impact on people, communities, and businesses. Therefore, in order to maintain viability in the current labour market, companies must strategically focus on staff retention.

Creating a pleasant workplace is crucial for two reasons: luring in new hires and holding on to the ones you already have. For instance, a work environment where employees can perform their tasks and duties in peace and safety (Newman, Thanacoody, and Hui, 2011); emphasis on disadvantaged regions as a means of preparing for and thriving in a world of constant change and intense competition (Juhdi et. al. 2013); and so on (Danish, Ramzan, and Ahmad, 2013). In order to function to the best of their abilities, workers require a setting in which they can focus on their tasks at hand without interruption. This study's mission is to examine how a company's work environment affects employee happiness and loyalty to the company.

## **2. LITERATURE REVIEW**

### **2.1 WORKING ENVIRONMENT**

Workplace satisfaction greatly increases when conditions are pleasant and helpful. There are many aspects of a workplace that can have an impact on an employee's psychological and physiological health. Having a pleasant place to work is crucial for keeping employees focused on their tasks at hand and maximizing their productivity. Attributes like competitive pay, an open line of communication between management and workers, fair treatment of all employees, and a manageable workload with stretch but attainable targets are all signs of a

healthy work environment. When taken as a whole, these factors ensure that workers are in the greatest possible environment in which to do their duties. As a for-profit business, you may improve your bottom line by providing a supportive workplace where your employees can thrive.

There are three distinct but interconnected types of work environments. Physical work setting, mental work setting, and social work setting. Workers are able to make better use of their knowledge, skills, and competencies as well as the available resources in supportive work settings, allowing them to deliver better services to customers (Leshabari M., et al., 2008). When employees feel valued by their employers, they are more likely to remain loyal to the company. Wage rates, scheduling flexibility, and employee input all play a role in creating a positive workplace (Lane et. al. 2010). when managers do not provide adequate feedback or when workers do not provide their own ideas (Arnetz, B., 1999). There is a strong correlation between effective communication and the achievement of an organization's goals (Pettersson, I., 1998).

## **2.2 DIMENSIONS OF WORKING ENVIRONMENT**

### **2.2.1 Physical Work Environment**

This refers to the concrete elements of a workplace, such as tools and equipment. Equipment, office design, HVAC, lighting, and other infrastructure are all part of the office environment. Noise and space are also factors. Heat, noise, and illumination at work have all been demonstrated to influence a variety of mental functions, both immediately and over time. Particular types of cognitive work may be more susceptible to distraction by noise than others (Banbury S. and Berry, D. C., 1998).

Physical factors in the workplace have been shown to influence the quantity and quality of interactions between employees. Open floor plans and other aspects of a workplace's architecture can affect the kinds of interactions that can occur there (Sundstrom & Sundstrom, 1986). The potential for physical safety varies depending on the surrounding environment. According to research conducted by Barry, P. Haynes (2008), if an office building's physical layout is changed for the better, productivity increases by 5-10% as a result of better staff performance. Similarly, Chandrasekar, K. (2011) found that a well-designed lighting system in the workplace improves the mood and performance of workers. Lighting, noise, colour, and air quality have been shown to affect worker productivity; this was again shown in the work of Sarode, A. P. and Shirseth, M. (2014).

**H1:** “Physical Work Environment (PhyWE)” factor is a significant predictor of “Working Environment (WE)”

### 2.2.2 Psychological Work Environment

Particularly relevant to employee behavior are the psychological aspects of the work environment. Psychological phenomena are taken into account when defining "behavior". Consequently, the psychological work environment consists of all the elements of the workplace that have an effect on the worker's mood. Workplace mental activities are well captured by the concept of "psychological work environment," which describes what an employee does while on the clock or in the field. Informational descriptions and links to relevant outside sources are all part of a well-rounded psychological work environment. In the field of psychology, workplace stress and health are common topics of conversation.

Employees consider a variety of factors related to their jobs, including but not limited to the

following: the tasks involved, the pay, the potential for advancement, and similar matters. An employee's happiness and, by extension, his or her productivity, are affected by these variables. Mohamed, G. (2005) discovered that when workers receive substantial raises in pay, promotions, and perks, they become more content with their jobs and their work enhances their productivity.

**H2:** “Psychological Work Environment (PsyWE)” factor is a significant predictor of “Working Environment (WE)”

### 2.2.3 Social Work Environment

Relationships in the workplace are the focus of social work. It encompasses modes of interaction between superiors and subordinates and the communication strategies used by each. Colleague relationships, assistance-readiness, and collaboration are also part of this definition. Maintaining a culture of respect for employees at all levels of an organization is crucial to success in fostering innovation and growth. Discrimination and segregation fall under the umbrella of "personal respect" in the workplace. Managers, as argued by Amible & Kramer (2011). It needs to play the part of facilitators in the workplace in order to remove roadblocks and increase output.

**H3:** “Social Work Environment (SWE)” factor is a significant predictor of “Working Environment (WE)”

## 2.3 JOB SATISFACTION

Happiness in the workplace is largely an internal state of mind. The answer to this question varies widely from one worker to the next. Essentially, It represents the intangible factors that inspire people to get their work done (Vroom, V. H. 1995). To rephrase, job satisfaction is defined as the extent to which one's physiological, psychological, and environmental states all come together to allow one to carry out one's

assigned tasks well. It is believed that When employees are unhappy with their rights, working circumstances, the behavior of their teammates, or the input of their managers in strategic planning, they are more likely to become detached from the organizations for which they serve (Clark, A. E., 1997). Here, Clark, A. E., (1997) echoed the sentiment, saying that Companies are being forced to bring in new employees to perform the same work because dissatisfied employees are quitting their jobs and going elsewhere. However, because of the poor state of affairs at the workplace, the situation will continue as it has been. In order for enterprises to reach their full potential, they need to cultivate an environment that is amenable to labor, which includes safeguarding workers' rights, providing a safe workplace, and fostering positive relationships among employees and management.

**H4:** “Working Environment (WE)” factor has significant impact on “Job Satisfaction (JS)”

## 2.4 EMPLOYEE RETENTION

A company's ability to keep its employees is demonstrated by its retention efforts (Wickramasinghe, 2010; Sandhya and Kumar, 2011). Employee retention, as defined by George (2015), is defined as a measurement of the opposite of turnover intention. When businesses are unable to hold on to their best and brightest, it disrupts their communities, decreases productivity, and dampens morale among the remaining workers (Dechawatanapaisal, 2018). Nonetheless, staff turnover is expensive, and it's more damaging when it involves a company's top workers leaving. Employees, especially the highest workers, are picky and have specific requirements to be retained. However, tiny businesses have it tougher than big ones since they can't match the attractive compensation and

benefits packages that large businesses may offer job candidates. In fact, a competitive salary and benefits package is essential to luring top talent away from competing companies (Ghosh, Satyawadi, Joshi, and Shadman, 2013). Therefore, an effective and supportive work environment is the major factor that can impact employee retention. To sum up, the company places a premium on staff retention in order to distinguish itself as an employer of choice (Ghosh et al., 2015).

**H5:** “Working Environment (WE)” factor has significant impact on “Employee Retention (ER)”

## 2.5 JOB SATISFACTION AND EMPLOYEE RETENTION

Depending on the employee, job satisfaction can be thought of as an affirmative or negative assessment of his or her work experience (Cronley & Kim, 2017). From a psychological point of view, job satisfaction refers to how content workers are with the various parts and responsibilities of their jobs (Suifan, Diab, and Abdallah, 2017). Since job happiness is linked to positive business outcomes including increased productivity, happier customers, and a more committed workforce, it has received much attention (Lu, Lu, Gursoy, and Neale, 2016).

How satisfied a person is with their job depends on what they receive from the business and how they evaluate its value to them (Ramalho et al., 2018). Previous studies have shown that an increase in job satisfaction leads to a greater likelihood of employee retention. Evidently, happy workers have a beneficial effect on their outlook and productivity on the job (Ramalho et al., 2018; Suifan et al., 2017). Employees' positive emotions and their rational understanding of the corporate setting are inextricably linked thanks to the role played by positive attitudes (Huang, Chen, Liu, and Zhou, 2017). Previous studies have established a

distinction between "cognitive" and "affective" job satisfaction, with the former referring to employees' objective evaluations of factors including their working circumstances, opportunities, and the results of their labour (Huang et al., 2017). Pleasure in one's job can be a driving force behind productive results, and this satisfaction can stem from a variety of sources such as remuneration, interpersonal interactions with coworkers and superiors, career advancement chances, and the nature of the work itself (Othman et. al. 2017; Ramalho et al., 2018). There is a strong positive correlation between job satisfaction and employee retention, which makes job satisfaction an important indicator of a positive work environment, according to a study conducted by Tnay et al. (2013) among employees of an Australian pathology company.

**H6:** "Job Satisfaction (JS)" factor has significant impact on "Employee Retention (ER)".

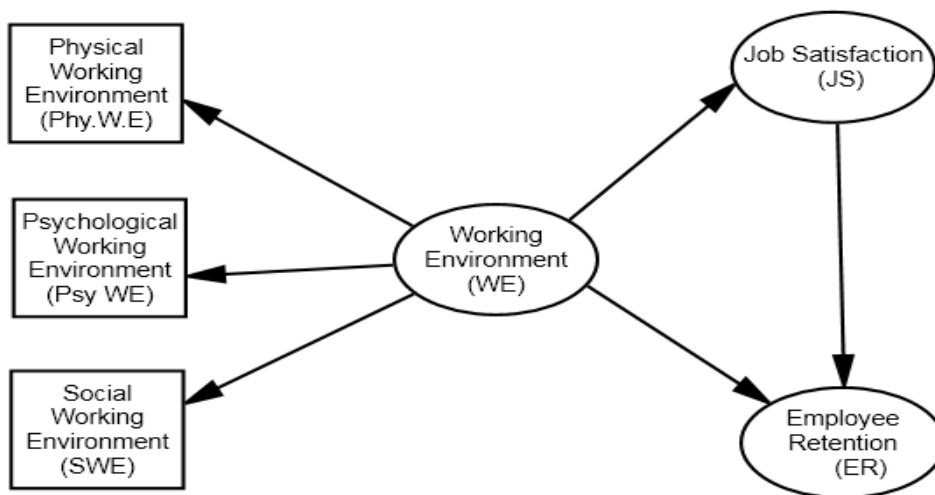


Fig 1: A model that illustrates the influence of the working environment on the level of job satisfaction and retention of employees.

### 3. RESEARCH OBJECTIVES

The primary goals of the investigation are as follows:

- To discover the aspects that have an effect on the working environment
- To propose a conceptual model assessing the impact of Working Environment on , Employee Job Satisfaction and retention.
- To conduct an empirical study of the proposed model in order to evaluate the influence of the Working Environment on the Job Satisfaction of Employees and their Propensity of retention.

### 4. CONCEPTUAL MODEL

Figure 1 illustrates a conceptual model that reflects the "effect of Working Environment on Employee Job Satisfaction and retention."

### 5. RESEARCH METHODOLOGY

The questionnaire that was used for the investigation was divided into two parts: The

first part of the survey collected respondents' demographic information; the second section assessed the effect of the workplace on workers' satisfaction and retention to their jobs. On the Likert scale, responses are ranged from one (very much in agreement) to five (very much in disagreement) for each statement.

### 5.1 Sample Design

Managers from private banks in Hyderabad, Telangana State, India, were chosen as our

convenience sample. Out of a total of 167 questionnaires distributed, only 135 were found to be fully completed by AMs (Assistant Managers), DMs (Deputy Managers) and Managers. Examination reveals a very respectable response rate 80.8%. The descriptive analytics provide an all-encompassing picture of the final sample, which consisted of 135 respondents (male and female bank employees).

**Table 1: Data Characterizing of the respondents**

		Freq uenc y	Valid %			Frequen cy	Valid %
Gender Profile	Male	116	85. 9	Marital Status	Married	121	89.6
	Female	19	14. 1		Single	14	10.4
Age Profile	20-30 Yrs	17	13. 9	Monthly Income	Rs.10-20 thousands	31	23.0
	31-40 Yrs	35	28. 7		Rs.21-30 thousands	43	31.9
	41-50 Yrs	23	18. 9		Rs.31-40 thousands	34	25.2
	51-60 Yrs	29	23. 8		Rs.41-50 thousands	12	8.9
	Above 60 Years	18	14. 8		More than -Rs 50 thousands	15	11.1
Highest Education Level	Diploma/ 10+2	15	11. 1	Current Designati on	Assistant Manager	35	25.9
	Bachelor Degree	39	28. 9		Deputy Manager	47	34.8
	Master Degree	59	43. 7		Manager	44	32.6
	Professional Education	22	16. 3		Other	9	6.7
Length of work experience	01-03 years	30	22. 2				
	04-06 years	47	34. 8				

	07-10 years	49	36.3
	11 years and more	9	6.7

## 6. RESULTS AND DISCUSSION

For the purpose of data analysis, version 20 of the SPSS programme was utilised. The approach of exploratory component analysis is utilised for "proving construct validity," and the Cronbach alpha is utilised for the purpose of verifying internal consistency in the research. The regression method was utilised in order to discover the hypothesised correlations that exist between the variables.

### 6.1 Exploratory Factor Analysis

For conforming constructs, "the EFA (Exploratory Factor Analysis) was carried out using the PCA (Principal Component Analysis) approach." (Hair et al. 1998) "factor loading more than 0.30 is deemed to satisfy the least level," writes Hair et al. (1998). "Loading of 0.40 is considered more relevant, and if the loading are 0.50 or greater, it is considered highly significant." As a dividing line for the sake of

this investigation, a factor loading of 0.50 was chosen.

Table 2 displays the findings of the factor analysis that was performed. KMO In most cases, the usefulness of a factor analysis for the data can be determined by looking for values between 0.5 and 1.0. The degree of relatedness between the components of the variable can be determined using Bartlett's test of sphericity. The outcome of the test can be determined based on the significance level. If the values are extremely low (less than .05), this suggests that there are certainly substantial correlations between the variables. If the value is greater than approximately .10, it can be an indication that the data are not appropriate for factor analysis. The outcomes of these two tests suggest that factor analysis is an appropriate method to apply to the information that was gathered. In the end, two items that had loadings that were lower than 0.5 were eliminated, leaving twenty-three items to be considered for the further analysis.

**Table 2: Results of Exploratory Factor Analysis**

Dependent Variable	Independent Variable	Factor loadings	KMO Measure of Sample Adequacy (>0.5)	Bartlett's Test of Sphericity		Items confirmed	Items dropped	Cum % of loading
				Chi Square	Sig. (<.10)			
Working Environment (WE)	PhyWE-1	.853	.741	353.204	.000	5	0	62.469
	PhyWE - 2	.694						
	PhyWE -3	.666						
	PhyWE - 4	.873						
	PhyWE -5	.843						
	PsyWE-1	.748	.730	96.290	.000	5	1	43.006
	PsyWE -2	.791						
PsyWE -3	.080							

	PsyWE -4	.738	.827	421.977	.000	5	1	66.022
	PsyWE -5	.644						
	<b>SWE - 1</b>	<b>.247</b>						
	SWE -2	.879						
	SWE -3	.909						
	SWE -4	.921						
	SWE -5	.890						
<b>Job Satisfaction (JS)</b>	JS-1	.922	.683	1293.826	.000	5	0	84.574
	JS -2	.910						
	JS -3	.923						
	JS -4	.931						
	JS -5	.940						
<b>Employee Retention (ER)</b>	ER-1	.834	.760	315.222	.000	5	0	62.429
	ER -2	.866						
	ER -3	.823						
	ER -4	.787						
	ER -5	.617						

**6.2 Reliability Analysis**

The reliability of the questionnaire has been evaluated using Chronbach Alpha, which has allowed the internal consistencies of the questionnaire to be determined. It is recommended that a minimum alpha value of 0.60 be used for developing new scales, as stated

by Nunally and Bernstein (1994). In all other cases, an alpha value of 0.70 is typically considered to be the criterion for an internally consistent established scale. The research decided that a Cronbach's alpha cut off value of 0.7 would be appropriate.

<b>Table 3: Results of Reliability test</b>					
	<b>Dependent Variable</b>	<b>Cronbach Alpha</b>		<b>Independent Variable</b>	<b>Cronbach Alpha</b>
<b>1</b>	<b>Working Environment (WE)</b>	<b>.938</b>	1	Physical Work Environment(PhyWE)	.844
			2	Psychological Work Environment(PsyWE)	.712
			3	Social Work Environment(SWE)	.923
<b>2</b>	<b>Job Satisfaction (JS)</b>	<b>.954</b>			
<b>3</b>	<b>Employee Retention (ER)</b>	<b>.847</b>			
<b>Over all Reliability of the Questionnaire</b>					<b>0.969</b>

The values of Cronbach's alpha that are presented in table 3 fall within a range that is considered to be acceptable and are higher than the threshold value of 0.7. The overall

Cronbach's alpha value of the questionnaire is pretty high, coming in at 0.969; this suggests that the study instrument that was utilised is dependable enough.



### 6.3 CORRELATION

According to the findings of the correlation study performed on the independent and dependent variables, there appears to be a strong correlation between all of the variables. Every one of the six factors under consideration has a

substantial correlation with the overall variable. The association between "working environment" and "Social environment" is the strongest (0.968), while the relationship between "psychological work environment" and "physical work environment" is the weakest and least significant (0.738).

**Table 4: Correlations**

	Physical work Environment	Psychological work Environment	Social work Environment	Working Environment	Job Satisfaction	Employee Retention
Physical work Environment	1					
Psychological work Environment	.738**	1				
Social work Environment	.903**	.800**	1			
Working Environment	.954**	.882**	.968**	1		
Job Satisfaction	.856**	.767**	.843**	.881**	1	
Employee Retention	.865**	.770**	.882**	.900**	.920**	1

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

### 6.4 Regression Analysis

An analysis known as regression is carried out in order to determine the predictor-criterion relationship between the variables that are dependent and those that are independent. It was carried out with the purpose of determining the predictive link between the variables that make up the Working Environment, and the impact that the Working Environment has on its employees was evaluated. Job contentment and employee retention.

#### Results of Hypotheses Testing for Macro Variables

To investigate the influence that the workplace has on workers Job satisfaction and employee retention, a variety of distinct regression models are conceived of.

#### 6.4.1 Working Environment as Dependent Variable

Physical work environment, psychological work environment, and social work environment are the three types of working conditions that are

independently used as dependent variables in regression models.

Step-by-step regression analysis (see Tables 5a and 5b) uncovered four components as significant predictors of "Working environment," including "Physical work environment," "Psychological work environment," and "Social work environment."

Table 5a shows that these three variables account for 96% of the variance in "Working environment," as measured by the R squared

statistic. Validity at a 95% level of confidence is shown by the ANOVA values for the regression model in Table 5b. Table 5c's summary of coefficients places relatively high credibility on the beta values of 0.452, 0.214, and 0.375 for the "Physical work environment," "Psychological work environment," and "Social work environment" factors, respectively, on the "Working environment" variable.

**Table 5 a: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.984 <sup>a</sup>	.968	.967	.12563

a. Predictors: (Constant), Social work Environment, Psychological work Environment, Physical work Environment

**Table 5 b : ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	62.689	3	20.896	1323.994	.000 <sup>b</sup>
Residual	2.068	131	.016		
Total	64.756	134			

a. Dependent Variable: Working Environment

b. Predictors: (Constant), Social work Environment, Psychological work Environment, Physical work Environment

**Table 5 c: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.325	.049		6.674	.000
1 Physical work Environment	.385	.031	.452	12.404	.000
Psychological work Environment	.213	.026	.214	8.205	.000
Social work Environment	.284	.031	.375	9.161	.000

a. Dependent Variable: Working Environment

**6.4.2 Employee Job Satisfaction as Dependent Variable**

The results of a step-wise regression analysis are shown in Tables 6a and 6b below. These results indicate that the "Working environment" (WE) significantly affects "Job satisfaction" (JS). Table 6a shows that "Working environment (WE)" accounts for 71.7 percent of the variation

in "Job satisfaction (JS)". Regression model validation at the 95% confidence level is shown by the ANOVA value in Table 6b. Table 6c presents a summary of the coefficients, which reveals that the "Working environment" variable has a beta value of 0.847 with regards to "Job satisfaction" (JS).

**Table 6a :Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.847 <sup>a</sup>	.717	.715	.50322

a. Predictors: (Constant), Working Environment

**Table 6b: ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	85.507	1	85.507	337.661	.000 <sup>b</sup>
Residual	33.680	133	.253		
Total	119.186	134			

a. Dependent Variable: Job Satisfaction

b. Predictors: (Constant), Working Environment

**Table 6c: Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.482	.179		-2.697	.008
Working Environment	1.149	.063	.847	18.376	.000

a. Dependent Variable: Job Satisfaction

**6.4.3 Employee Retention as Dependent Variable**

According to the results of a step-wise regression analysis, which are summarised in Tables 7a and 7b, the "Working environment" (WE) significantly affects "Employee Retention" (ER). As shown in Table 7a, "Working

environment (WE)" is responsible for explaining "Employee Retention" to the amount of 76.3% as measured by R square. Table 7b displays the regression model's ANOVA value, demonstrating its validity at the 95% level of confidence. Table 7c of the coefficient summary provides a beta value for "Working environment

(WE)" of 0.874, which is illustrative of its effect on "Employee Retention" (ER).

**Table 7a:Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.874 <sup>a</sup>	.763	.762	.39813

a. Predictors: (Constant), Working Environment

**Table 7b:ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	68.053	1	68.053	429.327	.000 <sup>b</sup>
Residual	21.082	133	.159		
Total	89.135	134			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Working Environment

**Table 7c:Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.207	.141		-1.460	.147
Working Environment	1.025	.049	.874	20.720	.000

a. Dependent Variable: Employee Retention

#### 6.4.4 Relationship between Job satisfactions on Employee Retention

Results from a step-wise regression analysis are shown in Tables 8a and 8b, which indicate that "Job Satisfaction" (JS) significantly affects "Employee Retention" (ER). Table 8a shows that "Job Satisfaction (JS)" accounts for 84.7 percent

of the variation in "Employee Retention" (ER). Table 8b displays the ANOVA result for the regression model, which indicates validation at the 95% level of confidence. Table 8c presents a summary of the coefficients, which reveals that "Job Satisfaction" (JS) has a beta value of 0.920 with respect to "Employee Retention" (ER).

**Table 8a:Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
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1	.920 <sup>a</sup>	.847	.845	.32068
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a. Predictors: (Constant), Job Satisfaction

**Table 7b: ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	75.457	1	75.457	733.757	.000 <sup>b</sup>
Residual	13.677	133	.103		
Total	89.135	134			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Job Satisfaction

**Table 8c: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.485	.084		5.761	.000
Job Satisfaction	.796	.029	.920	27.088	.000

a. Dependent Variable: Employee Retention

## 6.5 RESULTS OF HYPOTHESES TESTING

As can be seen in Table 11, all six of the initial hypotheses posed within the conceptual research framework have been confirmed.

**Table 11: Summary of Hypotheses Testing**

Hy. No.	Independent Variables	to	Dependent Variables	R-Square	Beta Coefficient	t-value	Sig Value	Status of Hypotheses
H1	Physical Work Environment (PhyWE)	→	Working Environment (WE)	.968	0.452	12.404	0.000	Accepted
H2	Psychological Work Environment (PsyWE)	→	Working Environment (WE)		0.214	8.205	0.000	Accepted
H3	Social Work Environment (SWE)	→	Working Environment (WE)		0.375	9.161	0.000	Accepted
H4	Working Environment (WE)	→	Job Satisfaction (JS)	0.717	0.847	18.376	0.000	Accepted

H5	Working Environment (WE)	→	Employee Retention (ER)	0.763	0.874	20.720	0.000	Accepted
H6	Job Satisfaction (JS)	→	Employee Retention (ER)	0.847	0.920	27.088	0.000	Accepted

## 7. DISCUSSION

The study's hypothesised relationship between job satisfaction and retention in the banking industry and the workplace environment was tested. The significance level (p) for workplace environment was found to be 0.001. This suggests that the quality of the workplace has a major impact on whether or not people stay with their current private banking institutions in Hyderabad. The study's findings lend credence to the contention, based on Herzberg's two-factor theory, that intrinsic motivators like a pleasant workplace culture have a direct impact on worker retention.

## 8. CONCLUSION AND RECOMMENDATION

We investigated a hypothesis about the role of the workplace in determining job satisfaction and retention rates among private banking institution staff in Hyderabad, and we created a model to explain these two factors in terms of the particulars of the workplace. This article provides further evidence that the office setting is a crucial factor in determining whether or not workers will be happy at their jobs and stay with their current employers. This finding can be useful for bank managers concerned with staff retention, especially in the areas of compensation and benefits. The study goes on to state that the physical work environment, followed by the social work environment, are the two most crucial elements because of their impact on workplace atmosphere. This information can be used by the bank's administration to better the working conditions of employees. The impact of workplace factors

on job satisfaction and retention might be studied further in other parts of the world. Structured equation modelling and other forms of data analysis can be used to investigate a wide range of factors related to employee retention.

## 9. LIMITATIONS AND RECOMMENDATIONS

Since the scope of this research is limited to private banks in Hyderabad, Telangana State, India, the framework could benefit from more testing in other sectors and locations. Respondents in this survey were primarily from the banking industry's Operations division; however, future studies could expand their scope to include HR, Marketing, Finance, and other related divisions. Employees' perspectives from a variety of angles will be provided. Instead of using a random sampling strategy, convenience sampling was employed to compile the information. Accordingly, care should be used before extrapolating the findings. Although we had a respectable number of respondents (135), a larger sample from a larger population would likely yield more reliable results.

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