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ASSESSING HYBRID WORKPLACE FACTORS AND EMPLOYEE RETENTION RELATIONSHIPS: EVIDENCE FROM IT COMPANIES

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Abstract

The research tries to understand the influence of hybrid workplace environments in the employee retention of IT leading firms such as Amazon, Google, Microsoft, TCS and Capgemini. It investigates factors like supervisor support, organizational support, rewards, training, and job aids as a potential contributor towards high employee commitment levels and their retention in the current firm. The survey collected employee information from 1,851 responses to an employee engagement questionnaire, which employed five-point Likert scale responses. It was then confirmed through CFA and SEM for testing and verification of the results. The test showed that the hybrid workplace factors are significantly associated with employee commitment and retention; training, supervisor support, and organizational support were the significant contributor with a positive influence. The findings can be used by the firms to design hybrid systems inclusive of high engagement and low turnover rates.

Keywords: IT Firms, SEM, CFA, Employee Commitment, and Retention, Hybrid Workplace.

1. INTRODUCTION

The workplace environment impacts how employees think, feel and perform at work. Because workers spend most of their waking hours at the job, the environment they encounter has a large impact on both satisfaction and output. An ambition work environment keeps workers focused and motivated while also enhancing organizational results.

COVID-19 required many firms to reconsider how work was accomplished, pushing them to embrace remote work as a solution. Companies eventually adjusted this pattern as a result that employees could function from home and utilizing their office – establishing a novel global labor exercise norm.

Companies such as Amazon, Google, Microsoft, TCS, and Capgemini have gone to dramatic lengths to support hybrid work setups. However, they had been the up-and-coming change makers in online communication, thus their adaptation to hybrid alternatives was equally accelerated, which generated concerns regarding employee involvement, commitment, and retention. To produce sustainable labor practices, an inversion wants to comprehend the impacts of hybrid work changes on these variables.

2. LITERATURE REVIEW

2.1 The Hybrid Work Model

Hybrid work is a combination of remote and office work. According to Cook et al., it permits people to complete some activities from home and others in the office. Cook et al. explains that a hybrid system employs physical and virtual locations to coordinate staff workload. While respondents profit from flexible schedules, organizations retain control and collaboration, the equilibrium between both elements, when correctly balanced, can enhance both productivity and satisfaction.

2.2 Supervisor Support Measures

It measures the extent to which managers value workers and care about their well-being. Superiors play a vital part in leading and supporting teams; supportive superiors may lead to employees, who listen on the workers' end while shut out the other end, allowing employees to participate in decision-making processes and inspire team members as well; strong superintendent support leads to an increase in trust and morale.

2.3 Organizational Support

Positive Organizational Support measures how perceived an employee feels their organization values their work and care about him/her as an individual Eisenberger et al., 2021. When staff believe they are recognized for their efforts to make the work environment and the corporation more acceptable, their loyalty and output increase. Positive Organizational Support and strong two-way ties between employees and organizations may foster a sensation of something in a hybrid environment when most may even feel disaffected with one another.

2.4 Rewards and Incentives

Rewards and Incentives such as financial or non-monetary payments, are instruments to motivate workers. According to Chiavenatto, appropriate rewards boost good morale and reduces turnover, while monetary imbursements are only as engaging as workers compelled to do excellent work or earn genuine money. Non-monetary prizes like lauding, acknowledgment, or having more control are even better over the long run.

2.5 Training and Development

Training trains people to achieve particular abilities, while development trains beyond to prepare them. According to Niazi, preparation makes personnel more ambitious and self-assured, making it more competitive and strengthening confidence in a hybrid model. Training should prioritize both technical and interpersonal abilities. People should understand the function of digital tools on various platforms. Continuous customer learning helps users stay current and narrow the gap between office workers and remote one.

2.6 Job aids

Job aids are items that people have on hand to do their jobs correctly and on schedule, like checklists, guides, and software manuals as per the studies of Harmon, 2011. Employing job aids makes work simpler and reduces confusion; especially in hybrid work situations without direct supervision present. Reliable job aids ensure consistent performance as well as quick problem-solving capabilities (Harmon, 2011).

2.7 Employee Commitment

Employee commitment refers to an emotional bond between employees and their organization. Committed workers work harder and remain longer (Bishop et al., 2000), align themselves with company goals, and contribute beyond basic duties (Bishop et al. 2000). Commitment depends on trust, communication, and perceived fairness as part of hybrid systems' cultures.

2.8 Employee Retention

Retaining skilled employees requires long-term planning. Teixeira and Franca (2013) noted that retention was enhanced when employees felt valued and supported; higher turnover can cause loss of knowledge as well as higher costs; hybrid systems require striking an equilibrium between flexibility, recognition, and career growth for best retention results.

Research Gap

There have been various studies conducted on physical workplace culture (Hermann et al, 2060; Green et al, 2020 & Garg et al, 2021). With pandemic outbreaks being prevalent across various organizations and specifically within software industries, hybrid workplace cultures are being implemented by many of them as a counter measure.

However, emphasis should be put on factors influencing hybrid workplace environments and their effects on employee involvement, commitment and retention (Garg et al, 2021; Kniffin et al, 2021 & La Porta 2021). Therefore, this study identified this as a research gap.

3. OBJECTIVES OF THE STUDY

1. **To examine and evaluate** the reliability and validity of the measurement constructs related to hybrid workplace factors using CFA and SEM Techniques.
2. **To find and assess** the overall model fit of the proposed hybrid workplace framework in order to explain employee retention.
3. **To offer** suggestions for HR leaders and managers to design effective hybrid work policies that improve overall efficiency of IT organizations.

3.1 Hypothesis of the Study

H_0: Hybrid Work Place Environment Factors will not affect the Employee Retention with respect to:

- H_{0a}: Supervisor Support;
- H_{0b}: Positive Organizational Support;
- H_{0c}: Rewards & Incentives;
- H_{0d}: Training and Development;
- H_{0e}: Job Aids

4. RESEARCH METHODOLOGY

The study followed a quantitative design using a five-point Likert scale questionnaire. Cluster sampling collected data from 1,851 valid responses across Amazon, Google, Microsoft, Capgemini, and TCS. We checked if our model was a good fit using CFA and SEM. Also, we made sure our data was reliable using Cronbach's alpha, and everything scored above 0.70.

4.1 Research Design

This study employs a quantitative research design. It explores relationships among hybrid workplace factors, employee involvement, commitment and retention. Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM) techniques were utilized to test this model.

4.2 Population and Sampling

Research targets employees of five large IT companies - Amazon, Google, Microsoft, Capgemini and TCS. This represents the top of Indian IT industry.

Data were gathered through cluster sampling; out of 2,207 responses received after filtering for incomplete forms; 1,851 valid responses were then analyzed for analysis.

4.3 Instrument for Collecting Data

We have conducted a survey where people could choose one of five options based on how strongly they disapproved: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree and 5 = Strongly Agree. My variables and sample items include as follows:

Table 1: Hybrid Workplace Constructs and Examples with Reference

Constructs	Example Item	Reference
Supervisor Support	My supervisor supports hybrid work decisions	Eisenberger et al. (2002)
Positive Organizational Support	The organization values my effort	Iqbal et al. (2017)
Rewards & Incentives	Rewards make me more loyal	Waleed et al. (2013)
Training & Development	I have many learning opportunities	Jessel (2019)
Job Aids	The company gives useful digital tools	Nelissen et al. (2017)
Employee Retention	I want to stay with this company	Ashraf et al. (2022)

Source: Computed Table from Secondary Data

4.4 Data Analysis

Descriptive analysis was employed to understand respondent demographics. CFA verified construct validity while SEM examined relationships among variables. Reliability was confirmed via Cronbach's alpha values exceeding 0.70.

5. RESULTS

CFA results confirmed an excellent model fit (RMSEA 0.010, CFI 0.998). Reliability and validity were established with reliability being >0.70 and validity exceeding 0.50 respectively. SEM analysis demonstrated how supervisor support, organizational support, training, job aids and job aids affect retention through commitment while rewards did not have significant results.

5.1 Confirmatory Factor Analysis (CFA)

Table 2: Confirmatory Factor Analysis (CFA)

Model Fit Indices	Value	Accepted Range	Interpretation
Chi-Square (p)	0.228	>0.05	Good fit
RMSEA	0.010	0.03–0.10	Acceptable
SRMR	0.080	<0.09	Acceptable
GFI	0.944	>0.90	Good
CFI	0.998	>0.90	Excellent
TLI	0.998	>0.90	Excellent
CMIN/DF	1.048	<3.00	Excellent

Source: Computed Table from Analysis

Confirmatory Factor Analysis (CFA) results indicate that the proposed measurement model provides an excellent match to observed data. Chi-Square test (p = 0.228) results were nonsignificant, suggesting minimal discrepancies between estimated and observed covariance matrices; which proves that proposed model accurately represents observed data. The RMSEA value (0.010) falls within an acceptable range (0.03-0.10), showing a very low approximation error level. Furthermore, the SRMR value of 0.80 confirms that residuals for this model remain small and within acceptable limits. GFI value (0.944) exceeds the 0.90 criterion, signifying an excellent overall model fit. Furthermore, incremental fit indices CFI (0.998) and TLI (0.998) both stand above 0.90, demonstrating excellent comparative fit between this proposed model and an assumed null model.

The CMIN/DF = 1.048 indicates a strong statistical and efficiency of this model, In conclusion, these results confirm the strong absolute, incremental and parsimonious fits of this model, indicating that it provides significant goodness of fit than the recommended guideline, and attesting that it is thus ideal for further Structural Equation Modeling SEM analysis as a valid instrument.

5.2 Reliability and Validity

Table 3: Reliability and Validity

Construct	CR	AVE	Validity
Supervisor Support	0.88	0.63	Good
Positive Org. Support	0.90	0.61	Good
Rewards & Incentives	0.84	0.59	Good
Training & Development	0.92	0.66	Good
Job Aids	0.86	0.60	Good
Employee Retention	0.90	0.62	Good

Source: Computed Table from Analysis

The reliability and validity results from the study assurance that all constructs included posses's strong internal consistency and acceptable convergent validity. The CR values varied from 0.84 to 0.92, which were above the recommended 0.70 implying that all constructs assessment items measure effectively what they should measure.

The AVE (Average Variance Extracted) values were from 0.59-0.69, which was above 0.50 level suggesting that each construct explains more at least half of the variance of all its indicators which was signifying the intended variability explaining the measure.

The constructs Training and Development and Employee Commitment depict the partway results at average CR levels (≥ 0.90) and the others at average AVE levels (> 0.50). For all claims studied, they vary from 0.91 and 0.68 for Training and Development and from 0.92 and 0.66 in Employee Commitment. Similarly, the constructs Supervisor Support, Positive Organizational Support, Job Aids, Employee Retention reveal the psychometric adequacy levels as well.

In summary, these findings indicate that all the measurement scales used during this research are reliable and valid, providing for SEM analyses.

5.3 Structural Equation Modeling (SEM) and Mediation Analysis

Table 4: Structural Equation Modeling (SEM) and Mediation Analysis

Hypothesis	Relationship	Direct Effect	Indirect Effect	p-Value	Result
H_{0a}	SS → ER	-0.261	0.387	.004 / .009	Partial Mediation
H_{0b}	POS → ER	-0.270	0.119	.013 / .013	Partial Mediation
H_{0c}	RI → ER	0.061	0.043	.189 / .171	Not Supported
H_{0d}	TD → ER	0.385	0.219	.012 / .003	Partial Mediation
H_{0e}	JA → ER	-0.142	-0.054	.015 / .067	Partial Mediation

Source: Computed Table from Analysis

Thus, mediation analysis examines the impact of employee commitment on the relationship between hybrid workplace facilitators and employee retention and saw several paths of partial mediation and one that did not support partial mediation.

Supervisor Support , H_{0a} p =.004/ p =.009 indirect partial mediation employee commitment , yet supporting supervisors can increase commitment, which in turn increases retention despite a direct path of the negative impact.

Positive Organizational Support, H_{0b} p =.003/ p =.003 partial mediation perceiving strong organizational support employees are more likely to make a commitment and stay.

Training and Development, H_{0d} p=.003 substantial indirect impact on retention training initiatives strengthen commitment and reduce turnover Job Aids, H_{0e} p =.015/ p =.067 partial mediation effective work tools indirectly contribute to retention through commitment.

Reward and Incentive Systems and Employee Retention, H_{0c} p =.189/ p =.171 for this reason, reward systems alone might not be significant sources of employee retention for hybrid work settings.

Employee commitment is an intermediary force in all combinations of hybrid workplace factors and retention, with each underscoring its importance in maintaining viable and productive staff. In contrast,

- H_{0a}: Supervisor Support – Employee Retention: The direct effect was negative and significant Standardized: -0.261 p =.004; and the indirect effects was positively and significantly 0.387 p =.009m, suggests partial mediation via Employee Commitment.
- $H_{0b:}$ Positive Organizational Support- Employee Retention: Both direct (-0.27, p=.013) and indirect effects (0.119, p =.009) indicate partial mediation.
- H_{0c}: Reward and Incentives – Employee Retention: for both the direct (0.071, p =.009) and indirect 0.1061, p=.026 effects were significant, a or the direct effect 0.0361; p =.070
- H_{0d}: Training and Development – Employee Retention: The direct 0.385, p =.002 and indirect effects 0.219, p =.003 was significant and partial mediation of the training on the employee retention is supported.
- H_{0e}: Job Aids - Employee Retention: Significant negative direct (-0.142, p=.015) and indirect effects confirm partial mediation.

6. DISCUSSION

In the residential workplace, how these factors interact with each other to promote how an employee may feel and perform on the job is made clear. In the long run, support from supervisors and the organizations, along with the building of trust and emotional attachment, is vital for long-term commitment and retention.

Training and education speed up one's ability to learn to utilize new software or technology. When companies or leaders invest in their workers' knowledge, employees become more qualified and prone for career development, sprouting up the probability of hanging with colleagues. Furthermore, Job aids can describe specific assignments done remotely and decrease ambiguity on the employees' side. Financial incentive systems were not found to have a significant retention effect on hybrid homeworkers, implying that emotional recognizing and learning, on average, mediate the desire for recognition. Employees want to be recognized rather than compensated. Employee commitment is the central intermediary between hybrid workplace factors and human resource retention. When staff feels linked to their workplace, they are far more inclined to stick around. In the case of IT companies like Amazon, Google, Microsoft, Capgemini, and TCS, hybrid systems are successful when combined with proactive leadership and learning programs. The results verified the social exchange theory of

establishing that if firms offer their employees, the favor will be returned in the shape of a motivated and dedicated workforce.

7. CONCLUSION AND IMPLICATIONS

This research shows how an effective hybrid workplace design can increase commitment and retention when supported by trust, communication, learning and trust. Supervisor support and training play key roles in motivating employees while organizational support also plays a crucial role in providing positive work experiences for staff members.

7.1 Managerial Implications

- Supervisors should make an effort to communicate with both on-site and remote staff.
- Companies must provide regular training on technology and communication issues.
- Managers should make use of digital job aids as part of daily work activities.
- HR policies must balance flexibility with accountability.
- Non-monetary rewards such as recognition and feedback should be used more frequently.

7.2 Limitations

This research used only five Indian IT businesses; thus, its results may not be valid in other nations or industries. Final findings are subject to change since data were collected at a single point in time.

7.3 Future Research

Future research Comparing outcomes across industries or expanding the number by work-life balance or digital fatigue could be helpful for future studies. Longer-term analyses can show how hybrid policies influence career growth and company performance over time.

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