Expatriate perceptions towards commitment based HR practices: impact on job retention in Indian IT industry

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Abstract: This study evaluates the insights of expatriates on job retention working in 20 Bangalore-based IT organizations using Commitment-based Human Resource practices (CBHR). This study is relevant in Indian and global context as there is a boost in terms of total expatriates working in IT companies in India and Bangalore being the IT hub of India. The objective of this research paper is to investigate the associations among the traditional HRM practices and CBHR on satisfaction in job (JS) and its retention through mediating studies. The participants intended for this study included 220 expatriates working at different levels of management and their perception on CBHR and general HR practices on JS and overall job retention was examined using correlation and regression analyses. The model developed for CBHR practices for understanding job retention of the expatriates within IT industry, also proved JS mediated the relationship of CBHR and retention of expatriates.

Keywords: Expatriate; job retention; commitment-based HR; job satisfaction; organizational commitment

Introduction

In today’s world of globalization, the Indian economy has emerged as the evolving market for the continual source of migrating workforce. Along with this, there has been an exponential boost in the amount of expatriates (Pereira et al., 2016). The term expatriates refer to any individual who works in foreign locations either on a temporary or a permanent basis and adapt themselves as per the host country’s culture environment (Ott and Michailova, 2016). The mode of sending the employee to another country is called expatriation (Muthiah and Santosh, 2017). However, it is not an easy task for the employee and requires a series of acclimatization by them for increased efficiency of the organization.

Therefore, to expedite the necessary adjustments crucial for the expatriate in order to evade any negative impact in the organizational productivity, the aspect of Human Resource Management (HRM) attains a level of supreme relevance (Vijayakumar and Cunningham, 2016). Incorporating effective Commitment-based Human Resource practices (CBHRP) by the organization underpins the rationale that this paper seeks to address. Basically, CBHR is known to improve the overall competency of the organization (Ghosh and Gurunathan, 2015), which is possible through the adoption of the high-performance work practices (Huselid, 1995).

In this context, India is recognized globally for its high work standards in terms of IT industry, which has been responsible for its accelerated growth in economy (Rao, 2016). One of the leading source of expatriates is the presence of a large pool of English-speaking engineering manpower, inexpensive labor costs, strong set up of satellite links for data transmission abroad, thereby leading to the prosperity of many Indian IT companies.

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