

Midocean University

Faculty of Management

Department/ Specialization (General Management)



The Impact of Effective Management Practices on Retaining Experienced Employees: (Applied on {*Sugar & Spices Catering*}) on KSA in Riyadh)

Linna Jemal Abdelkadir

.....

Graduation Project – 1

Faculty of Management - Midocean University

Supervisor

Dr. Mona Moustafa Elashry

Faculty member- Faculty of management- Midocean University

19/10/2024 – 10th Trimester

Acknowledgment

Dedication

Abstract

Purpose: The primary purpose of this research is to explore the impact of effective management practices on the retention of experienced employees within the Sugar & Spices Catering sector in Riyadh, Saudi Arabia. This study aims to identify specific management strategies that contribute to employee satisfaction, engagement, and loyalty, particularly in an industry facing challenges related to workforce stability.

By analyzing the relationship between management practices—such as communication, recognition, professional development, and work-life balance—and employee retention, this research seeks to provide actionable insights that can enhance organizational performance and reduce turnover rates. The findings will not only contribute to the existing body of knowledge in human resource management but also offer practical recommendations for catering businesses in Riyadh to foster a more stable and experienced workforce.

Methodology:

Findings:

Originality & Implication:

Keywords:

Table of Contents

Acknowledgment.....	1
Dedication.....	2
Abstract	3
1. Chapter 1: Introduction	7
1.1. Research Background.....	8
1.2. Research Problem	10
1.2.1. Theoretical Gaps	10
1.2.2. Practical Gaps	10
1.3. Research Significance	11
1.3.1. At the theoretical level	11
1.3.2. At the practical level	11
1.4. Research Questions.....	12
1.5. Research Objectives.....	12
1.6. Research Hypotheses	12
1.7. Research Model	13
1.8. Research Methodology	14
1.9. Scope of The Study.....	15
1.10. The Suggested Project Structure	15
2. Chapter 2: Literature Review.....	16
2.1. Introduction.....	17
2.2. The independent variable.....	17
2.3. The dependent variable	17
2.4. The relationship between the independent and the dependent variables	17
2.5. Conclusion	18
3. Chapter 3: Research Methodology.....	19
3.1. Introduction.....	20
3.2. Operational definitions for research variables.....	20
3.3. Research design (research onion)	21

3.4. Research population & Sampling methods and technique.....	22
3.4.1 Research population	22
3.4.2 Research Sample	22
3.4.3 Sampling Methods & Techniques.....	22
3.5. Data collection method	23
3.5.1 The Independent Variable.....	23
3.5.2 The Dependent Variable.....	24
3.6. Types of data	24
3.6.1 Primary Data	24
3.6.2 Secondary Data	24
3.7. Statistical analysis procedures	25
3.8. Conclusion	25
4. Chapter 4: Statistical Analysis & Findings discussion	26
4.1. Introduction.....	27
4.2. Sample profile (descriptive statistics for research sample)	27
4.3. Validity & reliability tests for the questionnaires	27
4.4. Descriptive statistics for research variables (answer research questions)	28
4.5. Testing Hypotheses & Findings Discussion	28
4.6. Conclusion	28
5. Chapter five: Research limitations, Recommendations & Conclusion	29
5.1. Research Limitations & Future Research	30
5.2. Research Recommendations	30
References.....	30
Appendix.....	31
Table of Research Instrument	33

List of Figures:

List of Tables:

1. Chapter 1: Introduction

1.1. Research Background

In recent times, employee retention is one of the leading challenges for organizations in constantly changing environment where a lot of opportunities pops up. Retaining key employees is one of the most important strategies that maintain the company's efficiency and the implementation of tasks to the fullest extent, especially employees with long-term experience. The departure of a loyal employee from the company may cause huge losses. A solution will mean more profitable and effective organizations, happier and more productive employees, and more satisfied client/ customers.

For most companies, it is important to retain employees to build a cohesive work team in the work place so workers can trust and depend on each other. Diminished productivity and competitive advantage are among the biggest losses when talented employees leave an organization ((2017). *Employee Retention*, **Target tech website**,4-1). High employee turnover rates can harm an organization's ability to carry out its mission due to impairments to continuity, loss of institutional knowledge, and the high costs of replacing departing workers and training new replacements. Employee departures can also lower morale and prompt more employees to leave the organization.

((Kaye and Jordan-Evans 2001, pp. 06) in their book (*Retaining Key Employee*)) shared a study that says "Studies have found that the cost of replacing lost talent is 70 to 200 percent of each lost employee's annual salary. There are advertising and recruiting expenses, orientation and training of the new employee, decreased productivity until the new employee is up to speed, and loss of those customers, clients, or citizens who were loyal to the departing employee. Finding, recruiting, and training the best employees represent major investments. Once an organization has captured talented people, its best return on investment (ROI) requires closing the back door to prevent them from walking out".

The reasons for losing valuable employees can be the presence of another very attractive opportunity that is compatible with your values, goals, and professional priorities, whether for financial, developmental, or other reasons, in a way that is compatible with your professional plan.

Dissatisfaction in the current workplace for many reasons, including: the nature of the job, the work environment, financial income, or lack of professional satisfaction

Stop personal development and learning in the organization you work for

Lack of opportunities for promotion and professional advancement despite your excellent performance and continuous development, and the inability to do so within the targeted time frame.

Not tolerating work pressures despite trying to organize and control them

There is a lack of compatibility between you and management and its orientations or methods in a way that affects you and the work

Changing your career path for well-thought-out and clear reasons

This study aims to address this gap by investigating the impact of effective management practices on the retention of experienced employees. By examining managerial behaviors, strategies, and interventions that have been theorized or empirically linked to retention outcomes, this research seeks to provide actionable insights for organizational leaders and human resource practitioners. Through a comprehensive review of relevant literature and primary data collection from [Sugar n Spices Catering], this study endeavors to enhance theoretical understanding and offer practical recommendations to optimize the retention of experienced talent.

By delving into the relationship between management practices and employee retention, this research contributes to scientific knowledge while offering solutions to enhance organizational effectiveness and sustainability.

1.2. Research Problem

Despite acknowledgment of the importance of effective management in employee retention, there remains a gap in understanding how specific managerial practices and strategies contribute to the retention of experienced employees in organizations

1.2.1. Theoretical Gaps

There could be a gap in understanding how effective management practices contribute to factors such as job satisfaction, organizational commitment, and psychological well-being, which are crucial for retaining experienced employees.

1.2.2. Practical Gaps

There may be a gap in how organizations measure and evaluate the impact of management practices on employee retention, particularly concerning experienced employees. Lack of firm metrics or feedback mechanisms can hinder the ability to assess effectiveness and make informed adjustments.

The main research question: How can an effective manager help the organization measure and evaluate the impact of management practices on employee retention?

1.3. Research Significance

Theoretical and empirical significance of this research lies in its potential to bridge existing gaps and contribute to the advancement of effective management practices

1.3.1. At the theoretical level

To overcome the theoretical gap mentioned above, an effective manager can increase employee retention by following up specific strategies in a company and does constant monitoring for the performance reports. This keeps the manager up to date with the psychological employee well-being state and the environment in which the employee is operating.

1.3.2. At the practical level

Understanding the impact of effective management practices on retaining experienced employees holds significant practical implications for organizations aiming to enhance workforce stability, productivity and competitive advantage. Effective management practices that foster a firm metrics or feedback mechanisms for the retention of experienced employees contribute to a greater organizational stability and continuity. Retaining employees with extensive organizational knowledge and expertise helps mitigate knowledge loss, maintain operational efficiency and sustain a cohesive organizational culture.

1.4. Research Questions

Main Question: How do effective management practices affect retaining experienced employees?

Sub-Question 1: What are the main factors that makes management practices effective?

Sub-Question 2: How does effective management practices in retaining experienced employees helps the organization reach its goal?

Sub-Question 3: How organization entities can develop and attain the practices of effective management?

Sub-Question 4: Why is it important to retain experienced employees?

1.5. Research Objectives

The main objectives for this research are:

- ❖ To identify and categorize key management practices that are perceived as effective by experienced employees.
- ❖ To investigate how various effective management practices, influence the retention of experienced employees within organizations
- ❖ To evaluate the correlation between the implementation of effective management practices and employee retention rates among experienced staff.
- ❖ To explore the role of organizational culture in enhancing the effectiveness of management practices in retaining experienced employees.

1.6. Research Hypotheses

There is probability that Effective management practices are positively correlated with higher retention rates of experienced employees.

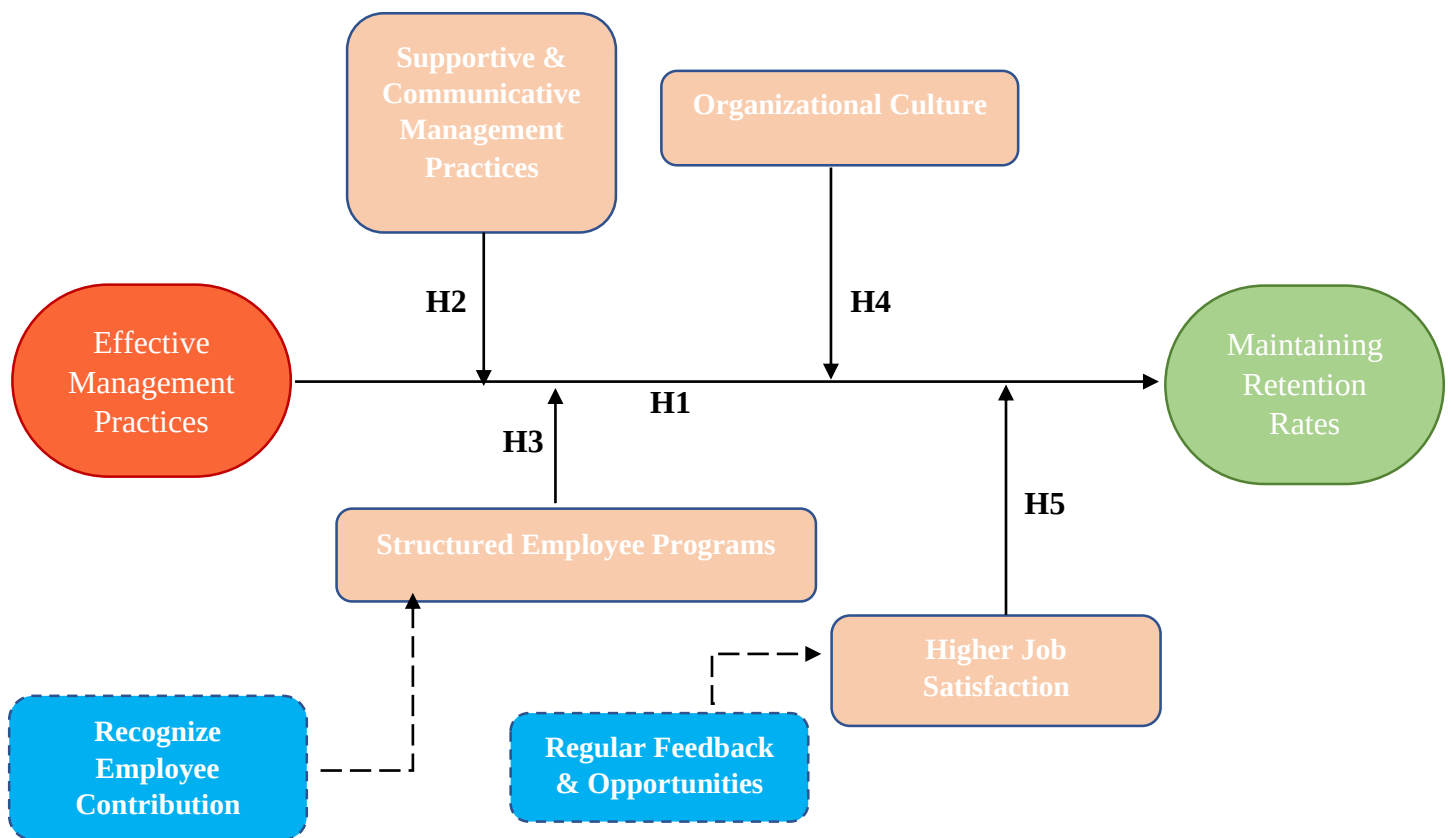
There is a significant positive relationship between experienced employees perceiving their managers as using supportive and communicative management practices and their likelihood of remaining with the organization.

There is a positive substantial connection between organizations implementing structured employee development programs and recognizing employee contributions and higher retention rates among experienced employees.

There is a positive noteworthy correlation between effective management practices and employee retention, which is enhanced by a positive organizational culture.

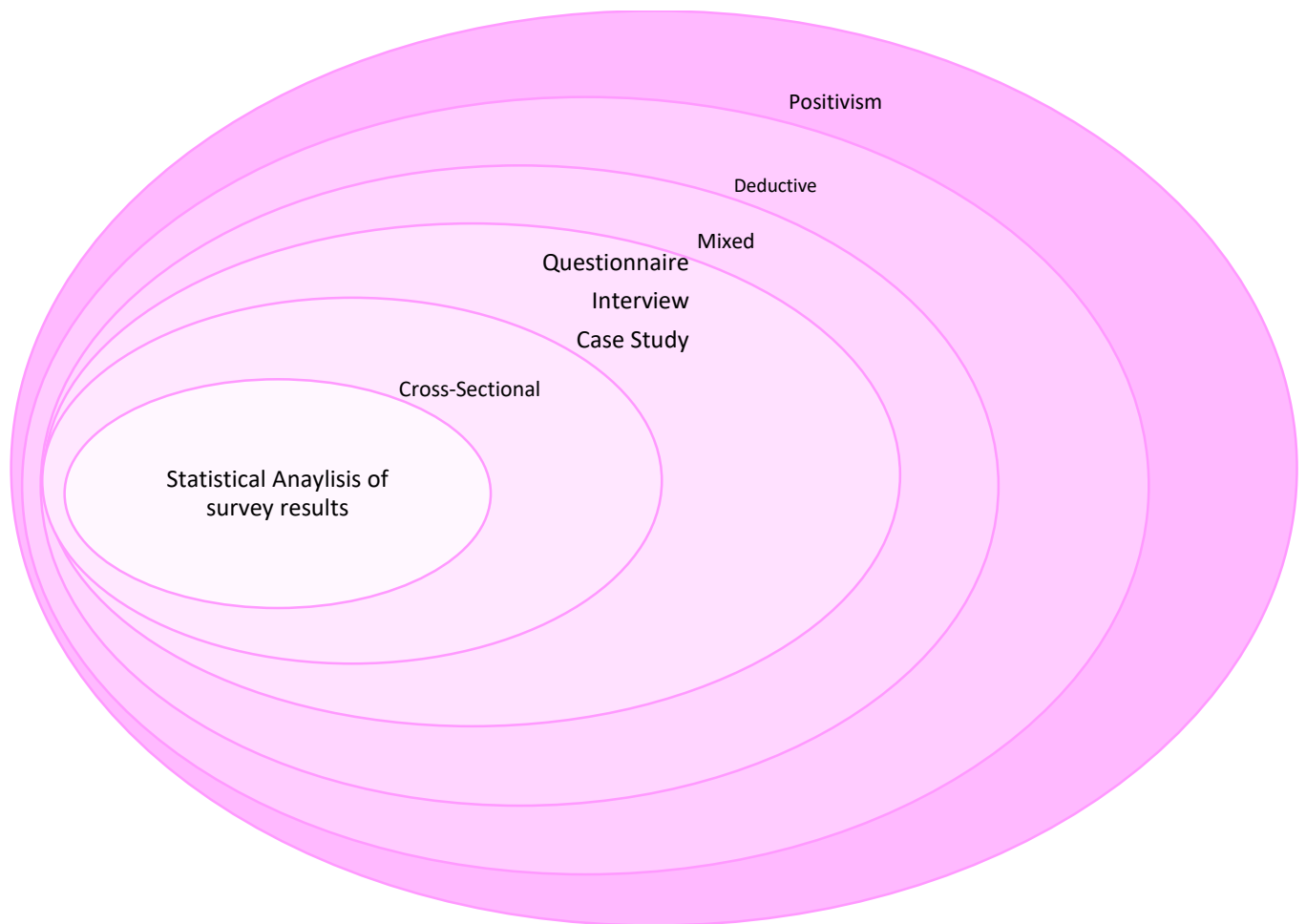
There is a significant positive relationship between experienced employees receiving regular feedback and opportunities for professional growth from management and their job satisfaction and retention rates.

1.7. Research Model



1.8. Research Methodology

- ❖ **Research Philosophy:** Positivism
- ❖ **Research Approach:** Deductive
- ❖ **Research Choice:** Mixed (Qualitative & Quantitative)
- ❖ **Research Strategy:** Questionnaire, Interview & Case Study
- ❖ **Time-Horizon:** Cross-Sectional
- ❖ **Data Collection & Analysis Technique:** Statistical Analysis of survey results



1.9. Scope of The Study

This Research is based on a study done in Sugar & Spices Catering in KSA, Riyadh, which is a company in the catering industry. The company serve a wide range of international dishes that cover events, parties and other valuable family gatherings. It hires chefs from different countries with different catering backgrounds that influence the quality of the dishes being served. Sugar & Spices insures in gaining the hired chefs' skills by continuous development and teaching the chef the preferred taste of the audience (customers), hoping to retain the experienced employees.

The Population: The employees of Sugar & Spices Catering and the managerial stuff.

The Sample: The expert employees, the CEO and the Owner.

Accessibility: As a secretary in the company, I have access to take permission from the owner to take required information regarding the employees' history and their insights and perception of their management practices of the company.

1.10. The Suggested Project Structure

Chapter 1: Introduction

Chapter 2: Literature Review

Chapter 3: Research Methodology

Chapter 4: Statistical Analysis

Chapter 5: Results, Discussion and Conclusion

Chapter 6: References



2.Chapter 2: Literature Review

2.1. Introduction

Employee retention has emerged as a critical issue for organizations aiming to maintain a competitive edge and sustain long-term success. Retaining experienced employees is particularly vital due to their extensive knowledge, skills, and institutional memory, which significantly contribute to organizational effectiveness. Effective management practices have been identified as pivotal in enhancing employee retention. This review explores the relationship between management practices and employee retention, focusing on leadership styles, communication, career development, work-life balance, and organizational culture.

2.2. The independent variable

The **independent variable** is "**Effective Management Practices.**" This includes various strategies and approaches employed by management, such as leadership styles, communication practices, employee recognition, and professional development opportunities. These practices are hypothesized to influence or affect the outcome being studied.

2.3. The dependent variable

The **dependent variable** is "**Retaining Experienced Employees.**" This variable represents the ability of an organization to keep experienced employees over time. It can be measured through metrics such as employee turnover rates, retention rates, length of employment, or employee satisfaction and commitment.

2.4. The relationship between the independent and the dependent variables

The **independent variable** (Effective Management Practices) is presumed to have a direct impact on the **dependent variable** (Retaining Experienced Employees). Specifically, the research investigates whether variations in management practices lead to changes in employee retention. The hypothesis is generally that **effective management practices** positively influence **retaining experienced employees**. This means that improvements in management practices are expected to lead to higher retention rates of experienced employees.

2.5. Conclusion

The literature indicates that effective management practices are crucial for retaining experienced employees. Leadership styles, communication practices, career development opportunities, work-life balance, and organizational culture all contribute significantly to employee retention. Organizations that implement strategies in these areas are better positioned to retain their experienced staff and leverage their expertise for long-term success. However, further research is needed to explore the interactions between these factors and identify best practices across different organizational contexts.

3. Chapter 3: Research Methodology

3.1. Introduction

In the dynamic landscape of organizational management, the retention of experienced employees has emerged as a critical concern for businesses aiming to maintain competitive advantage and foster a culture of continuous improvement. This research investigates the impact of effective management practices on retaining seasoned professionals, exploring how specific strategies contribute to employee satisfaction, loyalty, and overall organizational performance.

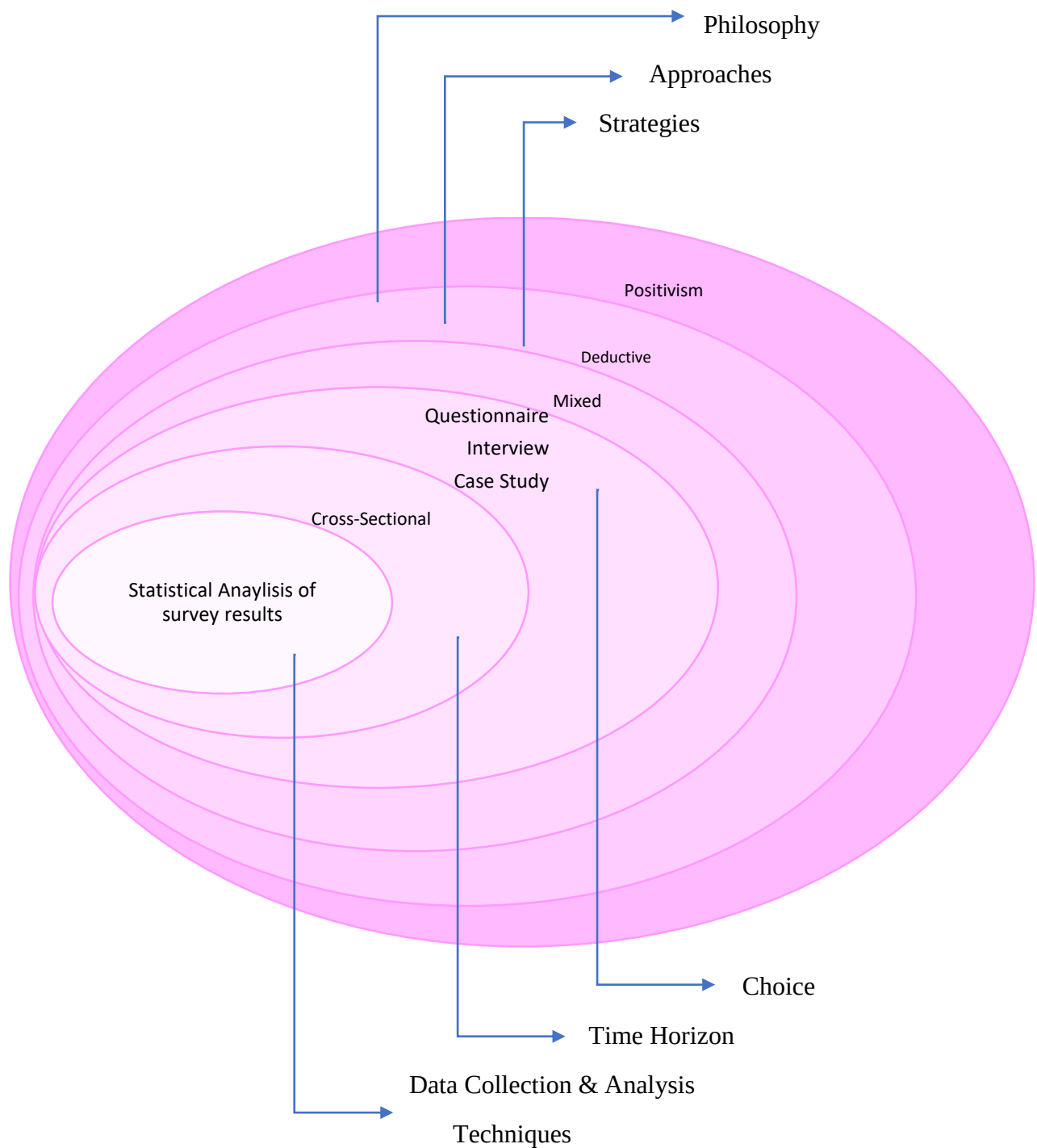
To address this multifaceted issue, a mixed-methods approach will be employed, combining both quantitative and qualitative research methods. The quantitative component will involve the distribution of structured surveys to a diverse range of organizations, facilitating the collection of numerical data on management practices and employee retention rates. In parallel, qualitative interviews will be conducted with key stakeholders, including managers and employees, to gain deeper insights into the experiences and perceptions surrounding management effectiveness.

This methodology aims to triangulate findings from both data sources, enhancing the robustness of the results and providing a comprehensive understanding of how management practices influence employee retention. By analyzing these relationships, the research aspires to offer practical recommendations for organizations seeking to enhance their management strategies and ultimately improve employee retention rates.

3.2. Operational definitions for research variables

In research studies, operational definitions are essential in clearly defining the variables being measured. The definition describes procedural: How a variable is measured, observed, or manipulated. It helps researchers ensure that their studies are consistent and reliable and valid.

3.3. Research design (research onion)



▪ Summary of Research Methodology, Source: Student

3.4. Research population & Sampling methods and technique

This section provides information about the study population and sample. In addition, this section explains methods and techniques which was developed to select the study sample and determine the sample size.

3.4.1 Research population

The target population for this research comprises the employees of Sugar & Spices Catering, along with the managerial staff. This group includes a diverse range of individuals working across various departments within the organization, encompassing both operational and administrative roles. The selection of this population is pivotal, as it allows for an in-depth exploration of the perspectives and experiences of those directly impacted by management practices.

3.4.2 Research Sample

The focus of this research will include a distinct group of key stakeholders, specifically the expert employees, the Chief Executive Officer (CEO), and the owner of the organization. This selection is strategic, as these individuals play critical roles in shaping the operational and strategic landscape of Sugar & Spices Catering.

3.4.3 Sampling Methods & Techniques

Samples are taken from non-probability samples using convenience samples via a questionnaire, interviews & case study.

3.5. Data collection method

This section describes the research tools that were used to collect data required to answer the research questions and test the hypotheses search. Accordingly, the researcher relied on the survey method in collecting quantitative and qualitative data through questionnaires, interviews and case studies. The sections are presented, the following are the tools that were used to measure the research variables.

3.5.1 The Independent Variable

The researcher is relied on the questionnaire of Robinson, S. P., & Judge, T. A. (2019). In order to measure the independent variable (The Effective Management Practices, X), in terms of 4 dimensions namely: Leadership Style, Employee Recognition, Organization Culture, Regular Feedback with overall 15 items for the whole variable. As, (Leadership Style) dimension consists of 5 items, (Employee Recognition) dimension consists of 4 items, (Organization Culture) dimension consists of 3 items and (Regular Feedback) dimension consists of 3 items. The instrument type is 5 – points Likert- scale type. Hence, 1= strongly disagree, while 5= strongly agree.

Table (1.1) for the instrument of the independent variable.....

Variable	Dimensions	Number of Items	Sources
The Effective Management Practices (X)	Leadership Style	5	(Robinson, S. P., & Judge, T. A. (2019))
	Employee Recognition	4	
	Organization Culture	3	
	Regular Feedback	3	
	Over all	15	

Sources: The Sources

3.5.2 The Dependent Variable

The **dependent variable** is "**Retaining Experienced Employees.**" This variable represents the ability of an organization to keep experienced employees over time. It can be measured through metrics such as employee turnover rates, retention rates, length of employment, or employee satisfaction and commitment.

3.6. Types of data

In the section, it presents the primary data and secondary data that were used in the research.

3.6.1 Primary Data

- Primary data was collected by using a questionnaire as the main tool for the study. The questionnaire was carefully designed to cover all aspects of the research topic and achieving the objectives of the study. The questionnaire was distributed to a representative sample of those targeted, and has obtained a high response rate.
- A qualitative analysis of the collected primary data was conducted by having structured interviews with managerial personnel and staff members.
- A quantitative analysis of the collected primary data was conducted using advanced statistical programs. Indicators and metrics were extracted relevant statistics to draw results and conclusions.

3.6.2 Secondary Data

Previous studies related to the research topic were extensively searched. Books and articles were reviewed scientific publication in relevant fields.

- The information and data available on the website of the company/institution under study were reviewed to understand the context and background where the research topic was run and operated.
- Secondary data was analyzed and interpreted in a way that built a framework that relied strongly on the urgent study and linked the results with previous literature

3.7. Statistical analysis procedures

Sample characterization testing, through descriptive statistics, was conducted to gain insight into the characteristics of the sample population. It helps researchers understand the demographics, preferences, and other information relevant to the individuals participating in the study.

Descriptive analysis, was conducted to gain insight into the characteristics of the sample population. It helps researchers understand the demographics, preferences, and other information relevant to the individuals participating in the study.

Conduct multiple analysis to assess how various independent variables (e.g., management style, training programs) predict a dependent variable (e.g., employee performance or client retention).

3.8. Conclusion

In conclusion, this research methodology outlines a comprehensive framework for investigating the impact of effective management practices on the retention of experienced employees within Sugar & Spices Catering. By employing a mixed-methods approach that integrates both quantitative and qualitative data, the study aims to provide a robust analysis of how management strategies influence employee satisfaction and loyalty.

4. Chapter 4: Statistical Analysis & Findings discussion

4.1. Introduction

4.2. Sample profile (descriptive statistics for research sample)

4.3. Validity & reliability tests for the questionnaires

4.4. Descriptive statistics for research variables (answer research questions)

4.5. Testing Hypotheses & Findings Discussion

4.6. Conclusion

5. Chapter five: Research limitations, Recommendations & Conclusion

5.1. Research Limitations & Future Research

5.2. Research Recommendations

5.3. Conclusion

References

(Employee Retention, Target tech Website, (2017) 4-1)

(Kaye and Jordan-Evans 2001, pp. 06) from the (Retaining Key Employee)

(ASU {Arizona State University Website}, (2024))

Brown, L. (2019). The impact of management practices on employee turnover. *Journal of Human Resources*, 34(2), 123-145.

Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches* (4th ed.).

Appendix

Here's a Likert scale designed to assess perception regarding the impact of effective management practices on retaining experienced employees applied on Sugar n Spices Catering on KSA in Riyadh. The table provides a clear overview of different management practices, descriptions, specific examples related to your study, and their expected impacts on employee retention:

Question	Response Options	% of Respondents
1. Management communicates effectively with employees.	Strongly Disagree (1)	
	Disagree (2)	
	Neutral (3)	
	Agree (4)	
	Strongly Agree (5)	
2. I feel recognized for my contributions at work.	Strongly Disagree (1)	
	Disagree (2)	
	Neutral (3)	
	Agree (4)	
	Strongly Agree (5)	
3. Opportunities for professional development are available.	Strongly Disagree (1)	
	Disagree (2)	
	Neutral (3)	
	Agree (4)	
	Strongly Agree (5)	
4. Work-life balance is supported by management.	Strongly Disagree (1)	
	Disagree (2)	

	Neutral (3)
	Agree (4)
	Strongly Agree (5)
5. I plan to stay with my current employer for the next 2 years.	Strongly Disagree (1)
	Disagree (2)
	Neutral (3)
	Agree (4)
	Strongly Agree (5)
6. Management encourages employee feedback on practices.	Strongly Disagree (1)
	Disagree (2)
	Neutral (3)
	Agree (4)
	Strongly Agree (5)

Table of Research Instrument

Instrument Type	Purpose	Description
Survey Questionnaire	To collect quantitative data on employee perceptions of management practices and their effect on retention.	A structured questionnaire with Likert scale questions assessing communication, recognition, professional development, work-life balance, and overall job satisfaction.
Semi-Structured Interviews	To gather qualitative insights from employees and management about management practices and their impact on retention.	Conducted with selected employees and managers to explore perceptions and experiences related to management effectiveness and retention strategies.
Case Study Analysis	To provide a comprehensive view of how effective management practices influence retention within the specific context of Sugar & Spices Catering.	A detailed examination of the company's management strategies, employee feedback, and retention metrics over a defined period to identify patterns and outcomes.