

# Staff Retention in Nepalese ‘A’ Class Banking Institutions in Surkhet Valley, Nepal

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## *Abstract*

Employee retention is a significant concern for organisations, especially in competitive sectors like banking, where skilled employees are essential for operational efficiency and customer satisfaction. High turnover creates financial costs, reduces productivity, and disrupts customer service. This study analyses examines key factors influencing employee retention in Nepalese Class “A” banking institutions in Surkhet Valley. It specifically analyses the effects of the working environment, training and development, salary and benefits, supervisor–subordinate relationships, and job security. A quantitative causal-comparative design was adopted, and primary data were collected through a structured questionnaire from 155 bank employees. Based on the descriptive and inferential analyses the findings show that a positive working environment significantly enhances retention, while training and development improve career growth and commitment. Competitive salary and benefits strongly motivate employees to remain in their jobs. Supportive supervisor–subordinate relationships foster loyalty, and job security remains a crucial determinant of retention. Overall, the study highlights that improving workplace conditions, investing in employee development, ensuring fair compensation, and strengthening leadership are essential for reducing turnover and promoting workforce stability in the banking sector.

**Keywords:** banking institutions; employee retention; job security training and development; working environment

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## INTRODUCTION AND STUDY OBJECTIVES

Retaining skilled employees is essential for an organisation’s success and competitiveness,

requiring strategies to encourage long-term employee commitment (Rijal, 2023; Rijal 2022). Due to the growing scarcity of skilled workers, organisations increasingly focus on retaining valuable employees.

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Effective management of human resources is crucial for delivering goods and services efficiently. For the retention of the employee in the organisation compensation practices, leadership style, the working conditions is directly impacts. Job security positively affects job satisfaction and retention, while a good work-life balance is key to employee engagement and retention. Measures promoting better work-life balance benefit both employees and organisations (Lahkar Das & Baruah, 2013).

Zhang and Stewart (2017) highlighted the critical role of talent management and retention strategies in organisational success. The authors emphasise that since the McKinsey Report's 'war for talent' in 1997, the discourse on talent management has been driven by business and consulting firms under the notion of talent shortage. The study outlines that despite high unemployment rates, skilled individuals remain in high demand due to the globalised workforce's increased mobility. Organizations are concentrating on approaches to keep up the talents, through employer branding, organisational appeal, and talent engagement. These approaches includes leadership style, opportunities for human resource development, rewards, benefits, on-boarding procedures, and the culture and identity of the organisation. The review suggests that these factors significantly impact talent retention and that future research should continue to explore these dimensions to refine talent management practices.

In the study by Coetzee and Stoltz (2015), the concept of career adaptability is examine in relation to employee satisfaction with retention factors. Through the canonical correlation analysis on a sample of employees

in the South African automotive industry, the study found that career adaptability, mainly career concern, has a positive relationship with career opportunities such as work-life balance, training and development opportunities, and job role given by the company. The study underscores the importance of employees' career concerns, goals, and plans in relation to retention practices, suggesting that addressing these aspects is crucial for employee retention.

The quality of the working environment significantly influences employee mood, creativity, and productivity. Elements such as workspace design, organisational culture, and communication channels contribute to the overall work environment. A positive work environment boosts job satisfaction, while a negative one harms employee well-being (Smith et al., 2020). The work environment is related to the social scenario, physical condition, which further impacts in job performance, workplace relationship, and job satisfaction. Employees benefit from environments that provide a sense of belonging. Organisations that implement generous human resource policies tend to better satisfy and retain their employees by safeguarding privacy and establishing effective controls, which boosts motivation and promotes long-term commitment. Recognising individual employee needs fosters commitment and creates a supportive work environment (Miller et al., 2001).

The HRM Practices, such as training and development, career enhancement, direct the turnover intention and influence by the mediator role of ethical climate. For example, Chand and Ghimire (2024) show that salary, learning opportunities, leadership approach, and employee satisfaction are significant predictors of retention in

development banks. Similarly, [Shah \(2024\)](#) reports that training and development, compensation, organisational culture, performance appraisal, work environment, and empowerment positively affect retention in commercial banks. More recently, [Khadka and Khadka \(2024\)](#) highlight that effective employee training, development opportunities, and managerial support play a crucial role in enhancing employee retention within corporate settings. Their analysis demonstrates that factors such as career growth, training, development, and performance appraisal collectively account for a substantial portion of the variance in retention. The study underscores the importance of strategic human resource practices that integrate managerial support with targeted training programmes to foster a committed and satisfied workforce. Data from public hospitals indicated that an ethical climate partially mediates the impact of HR practices on turnover intention ([Dawwas, 2022](#)). Studies also highlight the significance of training and development in employee retention, noting that these factors, along with performance appraisal, significantly impact retention ([Singh, 2018](#)).

Training and development involve systematic processes within organisations aimed at enhancing employee skills, knowledge, and attitudes. Investment in employee training and career development is crucial for retention, as organisations expect returns on these investments. Maintaining a competitive edge requires employees to be well-trained in the latest technologies. Continuous feedback and knowledge acquisition are essential for performance and meeting global market challenges. Knowledge is a valuable asset for any firm ([Messmer, 2000](#); [Tomlinson, 2002](#)). Training and development are fundamental for retaining employees, with

significant relationships observed between HRM policies, job satisfaction, rewards, and retention ([Okechukwu, 2017](#)).

Employee turnover is a major concern in HR management, particularly in non-profit organisations like social welfare, where the expertise of social workers is vital for service quality. In South Korea, social workers face high turnover intentions due to low salaries, heavy workloads, emotional labour, poor supervisor relationships, and communication issues. Emotional labour, which involves managing emotions for organisational goals, increases turnover intention, while organisational trust reduces it. Autonomy and supervisory support enhance organisational trust, consistently impacting turnover intention for both non-supervisors and team leaders. A trusting work environment is crucial for long-term employee commitment ([Cho & Song, 2017](#)).

[Sundanda \(2018\)](#) revealed that, in Indian Corporation research on impact of reward and recognition in talent retention indicates, salary, yearly bonuses to the employee, pay in overtime, performance-based incentives have a positive impact on work performance. Employee turnover is a critical issue in HR management, especially in non-profit organisations where employee expertise is essential. Poor supervisor relationships and communication issues contribute to turnover. Trust in the organisation and supervisor support significantly reduces turnover intention, highlighting the importance of a supportive and communicative work environment ([Cho & Song, 2017](#)). Supervisors, as experienced leaders, often conduct training programmes, establish objectives, select trainers, develop lesson plans, and prepare materials. They support employees by guiding them through

operational processes, especially new procedures. However, miscommunication between employees and supervisors can hinder support and performance (Harris et al., 2000).

Studies on employee retention and job satisfaction emphasise that retaining skilled employees is crucial for organisational competitiveness (Rijal, 2023). Factors such as compensation practices, leadership, career development, work schedules, and job security are significant for retention and job satisfaction (Lahkar Das & Baruah, 2013).

Chandrasekar (2011) found that a conducive working environment significantly increases employee efficiency, productivity, and satisfaction. Haynes (2008) suggested that an aesthetically pleasing and functional workspace positively influences employee retention. Jehanzeb and Bashir (2013) emphasised the importance of training and development programmes in enhancing employee satisfaction and retention. Ahmad and Schroeder (2003) noted that opportunities for professional development are linked to higher employee retention rates. Ghazanfar et al. (2011) observed that equitable and attractive compensation packages are crucial for job satisfaction and retention. Heneman and Judge (2000) confirmed that compensation is a primary factor in employee retention, especially in competitive sectors. Job security refers to the likelihood of an individual keeping their job, with high security indicating a low chance of job loss. Economic conditions like globalisation, outsourcing, downsizing, recession, and new technology impact job security. During economic expansion, increased demand boosts job confidence and security, whereas recessions lead to reduced demand and workforce downsizing. Job security significantly impacts

employee performance; secure employees are more committed and engaged, leading to higher performance levels (van der Klaauw & van Vuuren, 2010).

In the Surkhet Valley of Nepal, “A” Class Banking Institutions epitomise the zenith of financial services, providing an extensive array of banking products to meet the varied needs of their customers. These institutions are governed by the Nepal Rastra Bank (NRB) and are designated as commercial banks, the uppermost echelon of financial entities within the country (Nepal Rastra Bank, 2023). As of mid-July 2023, Nepal boasts 20 ‘A’ class commercial banks that offer services including deposit facilities, diverse loan options, advanced ABBS services, internet banking, and ATM amenities across widespread networks (Shrestha, 2023). Prominent among these, Nepal Bank Ltd., Rastriya Banijya Bank Ltd., and Agriculture Development Bank Ltd. have been pivotal in reinforcing the economic infrastructure of the region, marked by substantial paid-up capital and a robust presence in the valley (Nepal Rastra Bank, 2023). These banks are not merely instrumental in enhancing the economic stability of Surkhet but also play an integral role in the financial inclusion of its denizens, thus propelling the comprehensive development of the valley.

Despite extensive research on employee retention across various sectors globally, there remains a significant gap in understanding the specific factors influencing staff retention within “A” Class Banking Institutions in the Surkhet Valley of Nepal. Most existing studies focus on broader contexts and more developed economies, leaving a dearth of localised insights pertinent to Nepal’s unique economic, cultural, and regulatory environment. While factors such as working

environment, training and development, salary and benefits, supervisor-subordinate relationships, and job security have been explored in different settings, their specific impacts and interplay within the banking sector of Surkhet Valley remain under-examined. Furthermore, given the pivotal role these banks play in the region's economic stability and financial inclusion, a nuanced understanding of these factors is crucial for developing effective retention strategies tailored to this context.

This research aims to explore the key determinants of employee retention in Nepalese banking institutions by examining the influence of the working environment, evaluating the impact of training and development programmes along with salary and benefits, and investigating the role of supervisor-subordinate relationships and job security in shaping employees' intentions to remain within their organisations.

## LITERATURE REVIEW

Staff retention is strongly influenced by the quality of the working environment, including organisational culture, workspace design, and supportive human resource policies, which collectively enhance employee motivation, satisfaction, and long-term commitment (Miller et al., 2001; Smith et al., 2020). Career adaptability, encompassing employees' concerns, goals, and development plans, plays a critical role in determining their satisfaction with retention factors such as training, work-life balance, and career opportunities (Coetzee & Stoltz, 2015). Additionally, competitive compensation, leadership, job security, and work-life balance are essential strategies for retaining skilled employees and fostering organisational loyalty (Lahkar Das & Baruah, 2013; Rijal, 2022a, 2023).

### *Working Environment*

The working environment significantly impacts employee retention, as it encompasses both the physical and psychological conditions under which employees work (Kundu & Lata, 2017). Chandrasekar (2011), a conducive working environment increases employee efficiency, productivity, and satisfaction. Factors such as safety, flexibility in work schedules, and the availability of necessary tools and resources play a crucial role. A well-maintained physical environment, including interior decoration, can enhance employees' mood and motivation. Furthermore, employees who feel safe and secure in their workplace are more likely to stay with their organisation for a longer period. Haynes (2008) supports that an aesthetically pleasing and functional workspace positively influences employee retention by fostering a sense of belonging and loyalty. Based on this evidence, the present researchers have hypothesized as:

H<sub>1</sub>: There is a significant influence of the working environment on staff retention.

### *Training and Development*

Training and development programmes are pivotal for employee retention as they equip employees with the necessary skills and knowledge to perform their jobs effectively and advance their careers (Fletcher et al., 2016). Studies by Jehanzeb and Bashir (2013) highlight that organisations that invest in comprehensive training programmes see higher levels of employee satisfaction and retention. Offering training programmes, both within and outside the workplace, and providing opportunities for job rotation to develop a diverse skill set, are crucial. Structured employee development programmes, including long-term training and scholarship offerings, demonstrate an

organisation's commitment to employee growth, which can significantly enhance retention rates. According to a study by [Ahmad and Schroeder \(2003\)](#), employees who perceive ample opportunities for professional development are more likely to remain with their current employer. Based on this evidence, the present researchers have hypothesised as:

H<sub>2</sub>: There is a significant influence of Training and development on staff retention.

### ***Salary and Benefits***

Salary and benefits are fundamental components that influence an employee's decision to stay with an organisation ([Rijal, 2023](#); [Rijal, 2022a](#); [Rijal, 2022b](#)). Competitive salary packages and comprehensive benefits programmes, including medical insurance, paid vacations, and bonuses, are strong motivators for employee retention. [Ghazanfar et al. \(2011\)](#), equitable and attractive compensation packages contribute significantly to job satisfaction and retention. Organisations that fail to offer competitive salaries and benefits risk high turnover rates ([Fulmer & Li, 2022](#)). Furthermore, aligning reward systems with employee performance can boost morale and loyalty. Empirical evidence from various studies, including those by [Heneman and Judge \(2000\)](#), confirms that compensation is a primary factor in retaining employees, particularly in competitive sectors like banking. Based on this evidence, the present researchers have hypothesised as:

H<sub>3</sub>: There is significant influence of salary and benefits on staff retention.

### ***Supervisor and sub-ordinate Relationship***

The behaviour of supervisors and co-workers plays a crucial role in employee retention.

Effective communication, fair treatment, and constructive feedback from supervisors can foster a supportive and collaborative work environment. Studies by [Eisenberger et al. \(2002\)](#) indicate that perceived organisational support, reflected through fair supervisor behaviour, significantly enhances employee retention. Joint problem-solving efforts and positive interpersonal relationships among co-workers also contribute to a cohesive work environment, further encouraging employees to remain with their organisation. According to [Podsakoff et al. \(2000\)](#), positive co-worker behavior and strong social support networks within the workplace are critical for maintaining high levels of employee satisfaction and retention. Based on this evidence, the present researchers have hypothesised as:

H<sub>4</sub>: There is significant influence of superior and sub-ordinates relationship on staff retention.

### ***Job Security***

Job security is a significant determinant of employee retention, particularly in sectors prone to economic fluctuations. Employees who feel secure in their jobs are more likely to exhibit higher levels of commitment and loyalty to their organisation. [Ashford et al. \(1989\)](#) suggest that job insecurity leads to decreased job satisfaction and increased turnover intentions. Conversely, when employees believe in the stability of their employment and see positive prospects within the organisation, they are more likely to stay. According to studies by [Greenhalgh and Rosenblatt \(1984\)](#), job security directly correlates with employee motivation and retention. In the banking sector, where organisational changes can be frequent, ensuring job security can significantly bolster employee morale and retention

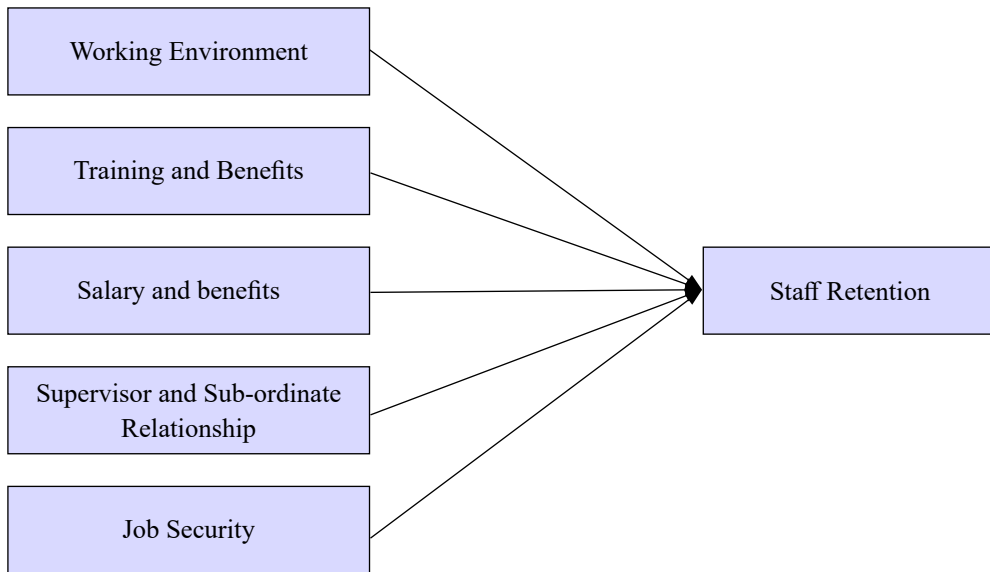


Figure 1. *Conceptual Framework of the Study*

rates. Based on this evidence, the present researchers have hypothesised as:

H<sub>3</sub>: There is a significant influence of job security on staff retention.

Based on the above research hypothesis, the conceptual framework has been designed.

The above depicted conceptual framework for this study is based on the hypothesis that several key factors significantly influence staff retention. These factors include the working environment, training and development, salary and benefits, supervisor and subordinate relationships, and job security. Each of these variables is hypothesised to impact employee retention in distinct but interconnected ways, supported by a robust body of literature. A positive physical and psychological workplace, emphasising safety, flexibility, and necessary resources, enhances employee

satisfaction and retention (Chandrasekar, 2011; Haynes, 2008; Kundu & Lata, 2017). Organisations that invest in comprehensive training programmes see higher employee satisfaction and retention by fostering skill development and career advancement (Ahmad & Schroeder, 2003; Fletcher et al., 2016; Jehanzeb & Bashir, 2013). Competitive compensation and benefits packages, aligned with performance, are crucial for retaining employees by boosting morale and loyalty (Fulmer & Li, 2022; Ghazanfar et al., 2011; Heneman & Judge, 2000; Rijal, 2023). Effective communication, fair treatment, and supportive coworker relationships foster a collaborative work environment, enhancing retention (Eisenberger et al., 2002; Podsakoff et al., 2000). Perceived job stability increases employee commitment and loyalty, leading to higher retention, especially in economically volatile sectors (Ashford et al., 1989; Greenhalgh & Rosenblatt, 1984).

## RESEARCH METHODS

The present study adopted a positivist approach, utilising a causal-comparative research design. The data collection method involved a survey questionnaire featuring a 5-point Likert scale, comprising a total of 30 items. A non-probability sampling technique was employed, with a sample size of 155 participants, resulting in an 8% margin of error. The respondents completed the questionnaire, providing demographic information such as gender and age groups. The survey also covered retention-related variables, including training and development, benefits, and the work environment. Additionally, the researcher utilised SPSS 24 for data analysis, leveraging its capabilities for statistical analysis and interpretation of the survey responses. The analysis aimed to assess the relationships between various factors and employee retention in Nepalese “A” Class Banking Institutions in the Surkhet Valley. Furthermore, the study ensured the reliability and validity of the data by conducting thorough checks for reliability, multicollinearity, skewness, and kurtosis, with all metrics falling within acceptable ranges, as indicated by Rijal (2023). This comprehensive approach to data collection and analysis provides robust insights into the factors influencing employee retention, contributing to the existing body of knowledge in organisational behaviour and human resource management.

## DATA ANALYSIS AND RESULTS

This subsection presents data analysis and its results in line with the study objectives.

### *Demographic Characteristics of Respondents*

The descriptive analysis of socio-demographic responses are analysis in the basis of Age, gender, marital status, education, job duration, designation, and bank name with were included as demographic responses in assess factors affecting employee retention in Nepalese “A” Class Banking Institutions in Surkhet Valley. The demographic responses were presented and analysed with facilitate of table 1.

In this study, descriptive statistics were utilised to analyse the demographic characteristics of respondents from Nepalese “A” Class Banking Institutions in the Surkhet Valley. The demographic data, summarised in Table 1, included gender, age, marital status, education, job duration, designation, and bank affiliation. The sample consisted of 64.5 percent males and 35.5 percent females. The majority of respondents (58.1 percent) were aged 26-32 years, followed by 27.7 percent in the 33-40 age group. Most participants were married (66.5 percent), held a bachelor’s degree (49.0 percent), and had been employed for 4-6 years (38.7 percent). In terms of job designation, the largest group was assistants (39.4 percent). Various banks were represented, with Global IME (12.3 percent) and Nepal Bank Limited (10.3 percent) having the highest number of respondents. This demographic analysis provides a comprehensive overview of the workforce composition, which is essential for understanding factors affecting employee retention in these banking institutions.

### *Analysis of Selected Constructs*

The multiple regression analysis results, presented in Table 2, reveal significant

Table 1  
Respondents Profile

Title	Category	Frequency	Percentage (%)
Gender	Male	100	64.5
	Female	55	35.5
Age	18-25	21	13.5
	26-32	90	58.1
	33-40	43	27.7
	41 and above	1	0.6
	Name of the Banks	Agriculture Development Bank	18
	Citizen Bank International Ltd.	11	3.9
	Global IME Bank Ltd.	19	12.3
	Himalayan Bank Ltd.	13	1.9
	Kumari Bank Ltd.	14	9.0
	Laxmi Sunrise Bank Ltd.	14	6.5
	Nepal Bank Ltd.	16	10.3
	NIC Asia Bank Ltd.	15	6.5
	Nepal Investment Mega Bank Ltd.	23	5.2
	Nepal SBI Bank Ltd.	12	7.7
Marital Status	Married	103	66.5
	Unmarried	51	32.9
	Married but single	1	0.6
Education	SLC (+2)	12	7.7
	Bachelor	76	49.0
	Master and above	67	43.2
Job Duration	Below 1 year	19	12.3
	1-3 years	39	25.2
	4-6 years	60	38.7
	Above the 7 years	37	23.9
Designation	Junior Assistant	27	17.4
	Assistant	61	39.4
	Senior Assistant	47	30.3
	Manager	20	12.9

Note. From researchers' survey, 2024

relationships between various factors and staff retention in Nepalese "A" Class Banking Institutions in the Surkhet Valley. The model summary shows an adjusted R-square of 0.761, indicating that 76.1 percent of the variance in staff retention can be explained by the independent variables included in the model. The F-test result of

99.33, with a significance level of 0.000, leads to the rejection of the null hypothesis, suggesting that the overall model is statistically significant.

Examining individual predictors, the working environment (WE) has a coefficient (B) of 0.193 and a t-value of 4.365, with

Table 2  
Result of Multiple Regression Analysis

Inferential analyses	Output	Result	Sig.	Hypothesis Testing
Model Summary	Adjusted R-Square	0.761		Not Indicated
F-test		99.33	0.000	The null hypothesis (H0) not accepted
Variables (Constant)	B	t	Sig.	Hypothesis Testing
WE	0.328	2.058	0.041	
TD	0.193	4.365	0.000	The null hypothesis not accepted
SB	0.160	3.602	0.000	The null hypothesis not accepted
SC	0.133	3.175	0.002	The null hypothesis not accepted
JS	0.206	6.869	0.000	The null hypothesis not accepted
Adjusted R-Square	0.761			
F-Test	99.33			
Sig.	0.000			

*Note.* WE: Working Environment, TD: Training and Development, SB: Supervisor and sub-ordinate Relationship, SB: Salary and Benefits, JS: Job Security, SR: Staff Retention. Calculation of Survey Data (2024)

a significance level of 0.000, indicating a significant positive impact on staff retention. Therefore, we reject the null hypothesis and conclude that there is significant positive impact of working environment in staff retention. Training and development (TD) also significantly influence retention, with a B value of 0.160, a t-value of 3.602, and a significance level of 0.000. Therefore, we reject the null hypothesis and conclude that there is significant positive impact of training and development in staff retention.

The salary and benefits (SB) show a significant positive effect with a Beta value of 0.133, a t-value of 3.175, and a significance level of 0.002. Therefore, we reject the null hypothesis and conclude that there is significant positive impact of salary and benefits (SB) in staff retention. The supervisor and subordinate relationship (SC) show significant positive effect with

a Beta value of 0.206, a t-value of 6.869, and a significance level of 0.000. Therefore, we reject the null hypothesis and conclude that there is significant positive impact of supervisor and subordinate relationship (SC) in staff retention.

Job security (JS) has a B value of 0.201, a t-value of 8.339, and a significance level of 0.000, making it a strong predictor of staff retention. Therefore, we reject the null hypothesis and conclude that there is significant positive impact of job security in staff retention.

Overall, these results indicate that improvements in the working environment, training and development, salary and benefits, supervisor-subordinate relationships, and job security significantly enhance employee retention in the studied banking institutions.

## *Discussions*

The findings of this study provide substantial evidence on the factors influencing employee retention in Nepalese “A” Class Banking Institutions in the Surkhet Valley. The multiple regression analysis indicates that several key variables significantly affect staff retention, aligning with previous research and offering valuable insights into organisational practices.

Firstly, the working environment emerged as a significant predictor of staff retention. This finding corroborates the studies by [Kundu and Lata \(2017\)](#) and [Chandrasekar \(2011\)](#), which emphasised that a conducive working environment enhances employee efficiency, productivity, and satisfaction. The importance of a well-maintained physical and psychological work setting, including factors such as safety and availability of necessary resources, is underscored. Additionally, [Haynes \(2008\)](#) highlighted that an aesthetically pleasing and functional workspace fosters a sense of belonging and loyalty, further supporting our results.

Training and development programmes also play a crucial role in retaining employees. This aligns with the findings of [Fletcher et al. \(2016\)](#) and [Jahanzeb and Bashir \(2013\)](#), who noted that comprehensive training programmes lead to higher employee satisfaction and retention. The study supports the notion that organisations investing in employee development through structured programmes and opportunities for job rotation significantly enhance retention rates. [Ahmad and Schroeder \(2003\)](#) further confirmed that professional development opportunities are critical for employee retention.

Salary and benefits significantly impact employee retention, consistent with the work of [Rijal \(2023, 2022a, 2022b\)](#) and [Ghazanfar et al. \(2011\)](#). These studies affirm that competitive salary packages and comprehensive benefits are strong motivators for retention. [Fulmer and Li \(2022\)](#) pointed out that inadequate compensation leads to high turnover rates. [Heneman and Judge \(2000\)](#) emphasised that aligning reward systems with employee performance boosts morale and loyalty, which is critical in competitive sectors like banking.

The relationship between supervisors and subordinates also significantly influences retention. [Eisenberger et al. \(2002\)](#) and [Podsakoff et al. \(2000\)](#) demonstrated that perceived organisational support and positive interpersonal relationships among co-workers enhance employee satisfaction and retention. This study confirms that fair treatment, effective communication, and constructive feedback from supervisors foster a supportive and collaborative work environment, encouraging employees to remain with their organisation.

Finally, job security is a strong predictor of staff retention, echoing the findings of [Ashford et al. \(1989\)](#) and [Greenhalgh and Rosenblatt \(1984\)](#). These researchers found that job insecurity leads to decreased job satisfaction and increased turnover intentions, while job stability promotes commitment and loyalty. Ensuring job security, particularly in sectors prone to economic fluctuations like banking, is essential for maintaining high retention rates.

Overall, the results of this study are consistent with the extant literature, confirming that improvements in the working

environment, training and development, salary and benefits, supervisor-subordinate relationships, and job security significantly enhance employee retention. These findings provide a comprehensive understanding of the factors affecting employee retention in the banking sector, offering practical implications for managers and policymakers to develop effective strategies for retaining valuable employees.

## CONCLUSIONS AND IMPLICATIONS

In conclusion, this study highlights the significant factors influencing employee retention in Nepalese “A” Class Banking Institutions in the Surkhet Valley. The findings underscore the importance of the working environment, training and development programmes, salary and benefits, supervisor-subordinate relationships, and job security in retaining valuable employees.

The study confirms that a conducive working environment, characterised by safety, flexibility, and adequate resources, enhances employee efficiency, productivity, and satisfaction. Investing in comprehensive training and development programmes equips employees with the necessary skills, contributing to higher satisfaction and

retention rates. Competitive salary packages and attractive benefits are strong motivators for employees to stay with their organisation, emphasising the need for organisations to align reward systems with employee performance.

Positive supervisor–subordinate relationships help create a supportive work environment that strengthens employees’ loyalty to the organisation. Job security also plays a crucial role in retention, highlighting the need for stability-especially in industries subject to economic fluctuations. These insights suggest that organisations should cultivate a positive workplace climate, invest in meaningful training and development, and offer competitive compensation and benefits to retain essential talent. Moreover, fostering positive relationships between supervisors and subordinates and ensuring job security are essential for enhancing employee satisfaction and loyalty.

Policymakers and human resource managers should consider these findings when designing retention strategies and policies. By addressing these key factors, organisations can enhance employee retention, leading to improved organisational performance, productivity, and competitiveness in the banking sector.

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