

Employee Happiness and Retention: An Empirical Study of Retail Sector Employees in West Bengal

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Abstract: Employee happiness has emerged as a strategic determinant of organizational sustainability, particularly in service-intensive sectors such as retail. Drawing upon *Social Exchange Theory* and the *Job Demands–Resources (JD-R) model*, this study examines how workplace factors - compensation, supervision, promotion, and work environment shape employee happiness, which subsequently influences retention and organizational performance. A structured survey of 180 retail employees in West Bengal, India, was conducted. Reliability and validity of constructs were confirmed through Cronbach's α and exploratory factor analysis. Regression and mediation analyses were employed to test the proposed framework. Results demonstrate that workplace factors significantly predict employee happiness, which in turn enhances retention. Retention also predicts organizational performance and partially mediates the happiness–performance relationship. The findings contribute to the human resource management (HRM) literature by positioning happiness as a strategic driver of retention and performance, offering actionable insights for retail managers seeking to strengthen employee commitment and long-term competitiveness.

Keywords: Employee Happiness, Employee Retention, Organizational Performance, Workplace Environment, Retail Industry, Human Resource Management

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