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Role of Employee Retention Policies in Enhancing Managerial Competence in E-Business Firms: Evidence from Rural Raipur

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Abstract

This paper will discuss how employee retention policies and managerial competence correlate in e-business firms working in rural Raipur, Chhattisgarh, India and fill a gap in the literature of human capital development in emerging digital economies. The mixed-methods research design was employed to gather data on 267 respondents in 58 e-business firms by use of structured questionnaires and 30 in-depth interviews and analyzed using descriptive statistics, correlation analysis, multiple regression, and structural equation modeling. The results demonstrate that the policies of workforce retention jointly predict 58.7% of the variance in managerial competence (R 2 = 0.587, p < 0.001), and career development opportunities appeared to be the best predictor (0.286, p = 0.001), then organizational culture (0.241, p = 0.001), and work environment (0.198, p = 0.001). The paper shows that rural e-business companies have a strategic focus on developmental and cultural retention systems, rather than financial rewards, as a response to scarcity of resources, and as a way of achieving a desired impact on resource utilization, by enabling managerial competencies, through employee stability and ensuring knowledge acquisition. Analysis of mediation dictates that retention policies result in employee competence through the mediating variable that is employee satisfaction (0.432, p < 0.001) and organizational commitment (0.389, p < 0.001). There is a notable difference between firm sizes suggesting that medium enterprises share a significantly outstanding level of retention policy implementation and managerial competence than micro and small ones, which reflects capacity-related issues in smaller organizations. The study determines competence mediums in strategic orientation and innovation capability and higher score in operational management with recommended areas that can be specifically developed. These results can help rural e-business professionals to develop retention strategies that involve career development and organizational culture, and explain to policymakers that sustainable development of managerial competence requires supportive interventions in the retention capacity of the smaller businesses to promote sustainable development of managerial competence in rural digital entrepreneurship environments.

Keywords: Employee retention policies, managerial competence, e-business firms, rural entrepreneurship, career development

Introduction

The fast-changing e-business world has fundamentally altering the role of employment relationship, posing unprecedented headaches on human resource management, especially in rural and semi-urban areas where talent management is an urgent issue (Cappelli, 2000; Armstrong and Taylor, 2020). The situation in emerging markets such as India has created a special paradox to rural e-business companies; although digital connectivity has facilitated business operations in the hitherto under-served markets, the low talent base and the rising competition among skilled labor has led to a condition that employer retention has been a strategic concern (Ramlall, 2004). Raipur district, globalisation of Chhattisgarh, is a microcosm of such a change, and the enterprises of e-business are becoming abundant there, and the lack of managerial competence of the enterprise is burning due to high employee turnover rates (Das & Baruah, 2013). The complicated connection between retention policy and managerial performance is a complex topic, and can give us important insights into the sustainable growth of business in rural digital economies.

Employee retention policies refer to an elaborate system of organizational regulations that helps in preventing voluntary turnover and a stable and seasoned workforce (Allen, Bryant and Vardaman, 2010). The competitive compensation scheme, career development schemes, work life balance schemes, recognition schemes and organizational culture strengthening are some of the policies that are usually incorporated (Griffeth and Hom, 2001). In e-business organizations, where market uncertainties and technological upheavals are a given, retention of talented workers will have a direct relationship to the creation and maintenance of managerial competencies (Collings and Mellahi, 2009). The workforce instability is especially susceptible of managerial competence, which can be described as an amalgamation of knowledge, skills, attitudes, and behaviors that facilitate the effective leadership of organizations and decision-making (Boyatzis, 2008). The loss of experienced workers means that they bring with them knowledge of the institute, with them being customer of the clients and process knowledge that is hard to substitute hence the establishment of competence gaps that undermine managerial performance and organizational performance (Dess and Shaw, 2001).

The rural situation in Raipur gives the relationship unique facets since e-business companies in rural areas have to struggle with the infrastructure constraints, culture factors, and migration forces that urban firms do not have to face (Singh and Sharma, 2015). The rural e-business managers have to overcome certain issues such as limited access to training resources, inabilities to attract outside talents, and migration of skilled laborers to urban centers to find even more opportunities (Bhattacharyya, 2015). This means that good retention policies do not only constitute a human resource activity but a strategy that dictates directly whether such firms will be able to develop and sustain the managerial competence that the competitive advantage depends on. Through an investigation of the detailed mechanisms by which retention policies affect competence development in managers in the e-business centre in rural Raipur, the study is relevant to theoretical knowledge, as well as to the actual practice of human resource policies in the digital economies.

The researcher seeks to understand whether any existing strategy exists to test how well retention policies are applied in e-business firms in rural areas and how they impact the functioning and growth of the managerial competence in e-business rural markets, provide empirical evidence to support better understanding of how specific dimensions of retention policies are related to the various aspects of managerial competence such as strategic thinking, operational efficiency, and team leadership, determine the mediating variables by relating how specific retention policy dimensions affect the growth and development of managerial competence in rural e-businesses, and develop a form of retention policy development recommendations for creating retention rules that help managers improve their skills in rural e-business settings.

Material and Methods

Research Design and Study Area

The current research design was a mixed-methods study, which is used to investigate a relationship between employee retention policies and managerial competence in the e-business companies in a comprehensive way (Creswell and Plano Clark, 2018). The study was undertaken in rural Raipur district of Chhattisgarh in India and it explicitly studied those e-business companies that are in operation in tehsils and rural blocks, which are not located in the main urban centre. To note data within a specific time frame, a cross-sectional strategy was chosen, which is an opportunity to study the existing practices and their immediate results (Bryman and Bell, 2015). The target population consisted of e-business businesses that have been doing different digital commerce activities such as online retail, digital services, agri-techs and technology-enabled business solutions operating in rural Raipur at least three years long to ensure that they are organizationally mature and that they have established retention policies (Saunders, Lewis and Thornhill,2019). The stratification random sampling method was applied to have a representation of the various sizes of firms (micro, small, and medium enterprises) and types of e-business with a sample size determined using Cochran formula giving an absolute requirement of 250 respondents to operate under a 95-percent confidence level and a margin of error of 5 percent (Cochran, 1977; Sekaran and Bougie, 2016).

Data Collection Instruments and Procedures

Triangulation and high validity voluntarily required the use of several instruments to conduct data collection. The main quantitative instrument a structured questionnaire of four parts was used: demographic and organizational characteristics, evaluation of the employee retention policy through a modified version of the Retention Policy Inventory scale (Samuel and Chipunza, 2009), employee competence assessment using modified version of the Managerial Competency Assessment Tool (Boyatzis, 2008; Spencer and Spencer, 1993), and indicators of organizational performance. The retention policy section rated seven dimensions such as the compensation and benefits, career development opportunities, the work-life balance, the recognition and rewards, organization culture, employment security and the working environment on a five-point Likert scale (1=very disagree to 5=very agree) (Allen et al., 2010). Managerial competence has been measured in six areas, namely, strategic orientation, operational management, people leadership, innovation capability, communication effectiveness, and decision-making proficiency on validated scales that show Cronbach alpha reliability coefficient of over 0.80 (Campion et al., 2011). Besides, 30 purposively sampled managers and HR staff participated in semi-structured interviews in order to gain a better insight into the challenges in retention policy implementation and impact on managerial development of the growing capabilities (Kvale & Brinkmann, 2015). Organizational records of firms on secondary data on performance, employee turnover and training investments were acquired through proper confidentiality terms.

Data Analysis Techniques

The SPSS version 26.0 and AMOS version 24.0 statistical software packages were used to carry out the quantitative data analysis, and various analytical methods based on the objectives of the research were applied (Field, 2018). The descriptive statistics such as means, standard deviations, frequencies and percentages were used to describe the sample characteristics and summarize the prevalence and managerial competence levels of the retention policies. To test the quality of measurement instruments, reliability analysis in terms of Cronbachs alpha and construct validity in terms of confirmatory factor analysis (CFA) was used (Hair et al., 2010). The Pearson correlation was used to analyse the relationships between the dimensions of the retention policy and the factors of managerial competence that were to be analysed and the multi-regression analysis was performed to define the contribution of a particular retention practice to the overall competence level of managers (Tabachnick and Fidell, 2019). The hypothesized relationships were tested using the structural equation modeling (SEM) and possible mediator variables were determined, including employee satisfaction and commitment to an organization (Byrne, 2016). The independent samples t-tests and one-way ANOVA with a post hoc analysis were applied to investigate the difference in retention policy and managerial competence among the firm sizes, type of business and demographics. Interpretation of qualitative data that was interview related was addressed using thematic analysis based on the six-phase model developed by Braun and Clarke (2006) and it entailed familiarization, coding, identification of themes, reviewing, defining and reporting. NVivo 12 software coded interview transcripts to focus on patterns that are repeated, situational influences, and explanation on the relationship between retention policies and competence development in the role of management (Silverman, 2020). The institutional research ethics committee approved the study in terms of conducting the research ethically and a informed consent was signed by all the participants and data anonymization measures were followed in strict compliance with the conduct of the research.

Result

Demographic and Organizational Profile

The study effectively gathered data from 267 respondents across 58 e-business businesses in rural Raipur, attaining a response rate of 89.3%, regarded as outstanding for organisational research (Baruch & Holtom, 2008). The demographic analysis showed that most of the people who answered were men (64.8%) and that they were between the ages of 25 and 45 (mean age = 34.2 years, SD = 6.8). 42.7% of the people who worked in rural e-business sectors had bachelor's degrees, and 38.2% had postgraduate degrees. This shows that the workforce in these areas is quite well-educated. 39.3% of the companies were micro-enterprises (with fewer than 10 employees), 43.8% were small enterprises (with 10 to 50 employees), and 16.9% were medium enterprises (with 51 to 250 employees). This shows that smaller organisational structures are more common in rural digital commerce (Singh & Sharma, 2015). The e-business companies came from a wide range of fields, such as online retail (31.0%), agri-tech platforms (24.1%), digital service providers (22.5%), and technology-enabled solutions (22.4%). Respondents had been with their organisations for an average of 3.7 years (SD = 2.1), and their managing experience ranged from 1 to 12 years (mean = 4.3 years, SD = 2.6). This gave them enough experience to evaluate the links between retention policies and managerial ability (Saunders et al., 2019).

Table 1: Demographic and Organizational Characteristics of Respondents (N=267)

Characteristic	Category	Frequency	Percentage
Gender	Male	173	64.8%
	Female	94	35.2%
Age Group	25-30 years	87	32.6%
	31-35 years	96	36.0%
	36-40 years	58	21.7%
	41-45 years	26	9.7%
Education	Diploma	21	7.9%
	Bachelor's Degree	114	42.7%
	Postgraduate	102	38.2%
	Professional Certification	30	11.2%
Firm Size	Micro (< 10 employees)	105	39.3%
	Small (10-50 employees)	117	43.8%
	Medium (51-250 employees)	45	16.9%
E-Business Type	Online Retail	83	31.0%
	Agri-tech Platforms	64	24.1%
	Digital Services	60	22.5%
	Technology Solutions	60	22.4%
Organizational Tenure	1-3 years	118	44.2%
	4-6 years	102	38.2%
	7+ years	47	17.6%

Employee Retention Policies Assessment

The evaluation of staff retention policies across seven dimensions indicated moderate to high levels of implementation, with notable discrepancies within policy areas and business characteristics (Allen et al., 2010). Career development opportunities emerged as the most robustly implemented retention policy dimension (M = 3.82, SD = 0.74), followed by organisational culture (M = 3.76, SD = 0.68) and work environment (M = 3.71, SD = 0.72), suggesting that rural e-business firms prioritise non-monetary retention strategies that align with employee growth aspirations (Samuel & Chipunza, 2009). On the other hand, pay and benefits had the lowest average score (M = 3.24, SD = 0.89) since rural businesses don't have as much money to spend and can't compete with urban businesses on wage structures (Das & Baruah, 2013). Work-life balance policies (M = 3.58, SD = 0.81) and recognition programs (M

= 3.49, SD = 0.76) showed modest adoption. Job security measures (M = 3.67, SD = 0.70), on the other hand, scored higher, which shows that employers are aware of stability issues in rural job markets. Reliability study verified internal consistency across all parameters of the retention policy, with Cronbach's alpha values ranging from 0.812 to 0.891, beyond the permissible threshold of 0.70 (Field, 2018). One-way ANOVA results indicated statistically significant differences in retention policy implementation across firm sizes ($F = 18.42$, $p < 0.001$), with medium-sized enterprises demonstrating significantly higher scores across all dimensions compared to micro and small enterprises, suggesting that organisational capacity influences retention policy comprehensiveness (Tabachnick & Fidell, 2019).

Table 2: Descriptive Statistics and Reliability of Employee Retention Policy Dimensions

Retention Policy Dimension	Mean	SD	Cronbach's α	Ranking
Career Development Opportunities	3.82	0.74	0.867	1
Organizational Culture	3.76	0.68	0.843	2
Work Environment	3.71	0.72	0.856	3
Job Security	3.67	0.70	0.829	4
Work-Life Balance	3.58	0.81	0.878	5
Recognition and Rewards	3.49	0.76	0.812	6
Compensation and Benefits	3.24	0.89	0.891	7
Overall Retention Policies	**3.61**	**0.61**	**0.923**	-

Table 3: Retention Policy Implementation by Firm Size (ANOVA Results)

Policy Dimension	Micro (n=105) M(SD)	Small (n=117) M(SD)	Medium (n=45) M(SD)	F-value	p-value	Post-hoc
Career Development	3.52 (0.81)	3.89 (0.68)	4.18 (0.52)	16.34	<0.001***	M>S>Mi
Organizational Culture	3.58 (0.73)	3.81 (0.64)	4.02 (0.58)	8.67	<0.001***	M>S>Mi
Work Environment	3.49 (0.79)	3.76 (0.67)	4.04 (0.61)	11.23	<0.001***	M>S>Mi
Job Security	3.51 (0.75)	3.71 (0.68)	3.89 (0.63)	5.89	0.003**	M>Mi
Work-Life Balance	3.41 (0.86)	3.63 (0.78)	3.84 (0.69)	6.12	0.002**	M>Mi
Recognition	3.29 (0.82)	3.54 (0.72)	3.82 (0.64)	9.87	<0.001***	M>S>Mi
Compensation	2.98 (0.94)	3.32 (0.84)	3.67 (0.76)	12.45	<0.001***	M>S>Mi

Managerial Competence Levels and Correlational Analysis

An assessment of managerial competence across six domains indicated generally favourable self-reported competence levels among e-business managers in rural Raipur. Operational management achieved the highest mean score (M = 3.94, SD = 0.65), followed by communication effectiveness (M = 3.88, SD = 0.69) and people leadership (M = 3.79, SD = 0.71). This suggests that managers consider themselves particularly skilled in daily operational tasks and interpersonal interactions (Boyatzis, 2008; Campion et al., 2011). Innovation capability (M = 3.52, SD = 0.78) and strategic orientation (M = 3.58, SD = 0.74) got lower ratings than the others. This suggests that these are areas where managers could improve their

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skills in rural e-business settings, where strategic thinking and innovative approaches are important for staying ahead of the competition (Spencer & Spencer, 1993). Decision-making proficiency exhibited moderate scores (M = 3.71, SD = 0.68), while total management competence averaged 3.74 (SD = 0.58), indicating satisfactory although improvable levels of managing skill. Pearson correlation analysis indicated statistically significant positive correlations between all dimensions of retention policy and domains of managerial competence, with correlation coefficients ranging from r = 0.312 (compensation and strategic orientation) to r = 0.687 (career development and innovation capability), all significant at the p 0.01 level (Field, 2018). Career development opportunities had the strongest links to all aspects of managerial competence (mean r = 0.624), followed by organisational culture (mean r = 0.589) and work environment (mean r = 0.556). This supports the idea that policies that focus on development and culture have a big impact on how capable managers become (Collings & Mellahi, 2009). The entire retention strategy index was closely linked to overall management competence ($r = 0.721$, $p < 0.001$). This shows that comprehensive retention policies make managers in rural e-business businesses far more effective.

Table 4: Descriptive Statistics of Managerial Competence Dimensions

Managerial Competence Domain	Mean	SD	Cronbach's α	Ranking
Operational Management	3.94	0.65	0.834	1
Communication Effectiveness	3.88	0.69	0.847	2
People Leadership	3.79	0.71	0.862	3
Decision-Making Proficiency	3.71	0.68	0.819	4
Strategic Orientation	3.58	0.74	0.876	5
Innovation Capability	3.52	0.78	0.883	6
Overall Managerial Competence	**3.74**	**0.58**	**0.917**	-

Table 5: Pearson Correlation Matrix between Retention Policy Dimensions and Managerial Competence Domains

Retention Policy	Strategic Orientation	Operational Mgmt	People Leadership	Innovation	Communi cation	Decision-Making
Career Development	0.612**	0.598**	0.641**	0.687**	0.623**	0.584**
Organizational Culture	0.567**	0.589**	0.634**	0.601**	0.578**	0.564**
Work Environment	0.534**	0.571**	0.592**	0.548**	0.561**	0.529**
Job Security	0.478**	0.512**	0.487**	0.456**	0.491**	0.503**
Work-Life Balance	0.489**	0.467**	0.523**	0.471**	0.508**	0.482**
Recognition	0.501**	0.524**	0.556**	0.518**	0.542**	0.511**
Compensation	0.312**	0.387**	0.421**	0.356**	0.398**	0.373**
Overall Retention	**0.678**	**0.701**	**0.743**	**0.692**	**0.714**	**0.681**

Regression and Mediation Analysis

A multiple regression analysis was performed to assess the predictive capability of retention policy dimensions on overall managerial competence, demonstrating that the model accounted for 58.7% of the variance in managerial competence ($R^2 = 0.587$, Adjusted $R^2 = 0.576$, $F = 52.34$, $p < 0.001$). This indicates a significant explanatory power of retention policies in evaluating managerial effectiveness (Hair et al., 2010). The analysis revealed that among the seven retention policy dimensions assessed as predictors, career development opportunities were identified as the most significant predictor ($\beta = 0.286$, $t = 5.67$, $p < 0.001$). This was followed by organisational culture ($\beta = 0.241$, $t = 4.89$, $p < 0.001$), people leadership development through the work environment ($\beta = 0.198$, $t = 4.12$, $p < 0.001$), and recognition programs ($\beta = 0.147$, $t = 3.21$, $p = 0.002$). These findings collectively support the hypothesis that developmental and cultural retention mechanisms most effectively enhance managerial competence (Tabachnick & Fidell, 2019). Interestingly, compensation and benefits, while correlated, did not emerge as a significant predictor in the regression model ($\beta = 0.067$, $t = 1.43$, $p = 0.154$), suggesting that financial incentives alone contribute minimally to managerial competence development when other retention policies are controlled, consistent with motivation-hygiene theory applications in retention research (Samuel & Chipunza, 2009). Structural equation modelling analysing mediating pathways indicated that employee satisfaction ($\beta = 0.432$, $p < 0.001$) and organisational commitment ($\beta = 0.389$, $p < 0.001$) significantly mediated the relationship between retention policies and managerial competence. The mediation model exhibited excellent fit indices (CFI = 0.947, TLI = 0.938, RMSEA = 0.054, SRMR = 0.048), thereby confirming that retention policies enhance managerial competence partly by promoting employee satisfaction and organisational loyalty (Byrne, 2016). Qualitative thematic analysis from 30 in-depth interviews corroborated quantitative findings, identifying five major themes: (1) career growth as primary retention and competence driver, (2) knowledge retention through reduced turnover, (3) managerial learning through stable teams, (4) cultural continuity enabling competence transfer, and (5) rural context challenges requiring tailored retention approaches, providing rich contextual understanding of the retention-competence nexus in rural e-business environments (Braun & Clarke, 2006).

Table 6: Multiple Regression Analysis Predicting Managerial Competence from Retention Policies

Predictor Variable	B	SE	β	t-value	p-value	VIF
(Constant)	0.847	0.189	-	4.48	<0.001	-
Career Development	0.267	0.047	0.286**	5.67	<0.001	2.14
Organizational Culture	0.224	0.046	0.241**	4.89	<0.001	2.08
Work Environment	0.182	0.044	0.198**	4.12	<0.001	1.97
Recognition & Rewards	0.129	0.040	0.147**	3.21	0.002	1.84
Work-Life Balance	0.091	0.038	0.112*	2.39	0.018	1.76
Job Security	0.078	0.039	0.089*	2.01	0.046	1.68
Compensation & Benefits	0.043	0.030	0.067	1.43	0.154	1.52

Table 7: Mediation Analysis Results (Structural Equation Modeling)

Pathway	Direct Effect (β)	Indirect Effect (β)	Total Effect (β)	Mediation Type

Retention Policies → Employee Satisfaction → Managerial Competence	0.347***	0.267***	0.614***	Partial
Retention Policies → Organizational Commitment → Managerial Competence	0.347***	0.241***	0.588***	Partial
Model Fit Indices	CFI = 0.947	TLI = 0.938	RMSEA = 0.054	SRMR = 0.048

Discussion

Interpretation of Retention Policy Implementation Patterns

The results indicate a subtle terrain of staff retention policy execution in e-business sector of rural Raipur with typically planned focus on growth and cultural activity rather than financial incentive. It is a practical strategy in line with the resource constraints of rural entrepreneurial ecosystems, where priorities were put on career development opportunities, organizational culture, and workplace rather than on compensation and benefits. This trend implies that e-business firms in the rural setting are using the non-monetary retention strategies to offset their reduced ability to compete based on the salary structure with their counterparts in urban areas or bigger entities. The average retention policy score of 3.61 shows that although these companies see the need to employ retention strategies, their application is at moderate stages, which may be explained by the fact that the areas of professionalization of the human resource management in rural digital companies are at their infancy. The large disparity witnessed of the different firms sizes whereby the medium firms present much higher retention policy scores compounds the importance of organizational capacity and availability of resources in the realization of comprehensive retention strategy. Smaller companies, albeit having arguably more retention issues due to their level of resources and competition of talents outside, seem to be less able to introduce significant retention models, resulting in a capacity-competence paradox when the most vulnerable group in terms of the loss of talents is the least capable of retaining them.

Retention Policies as Drivers of Managerial Competence

High positive relationships and significant predictive ability of retention policies on managerial competence confirm the theoretical assumption underpinning that workforce stability and organization investment on employees will be directly translated into improved managerial abilities. The result that career development opportunities were found not only to be the most closely related measure but to the greatest measure of predicting managerial competence throws some light on a key process: how managers come to acquire competence through organizational experience and through knowledge transfer in stable teams and lifelong learning opportunities that are embedded in retention structures. The lower scores on managerial competence of strategic orientation and innovation capability and higher cultures in operational management are indicative of the fact that the implemented retention policies, though being efficient in ensuring operational excellence in the firms, are possibly not doing as well in terms of developing the higher-order thinking abilities that can ensure competitive advantage in the

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dynamic e-business worlds. The mediation analysis of the fact that the satisfaction of the employees and the organizational commitment are the intermediary mechanisms can give valuable assumptions of how the retention policies are translated into managerial competence where the retention strategies can result to the psychological state of stability, engagement, and organizational identification that instigates managerial learning and progress.

Contextual Considerations for Rural E-Business Environments

The study also points out some unique features of rural e-business environment that determine the retentioncompetence relationship differently than the case in urban or traditional business environment. The moderate existence of the work-life balance policies and recognition programs in combination with the comparatively increased job security measures reflects the rural dynamics of employment where the concerns with stability and community-related values would take precedence over the urban-based priorities such as flexible working arrangements, or individual recognition methods. The qualitative themes that highlight the knowledge retention thru lower turnover and learning on the managerial level thru stable teams highlight a specific weakness of the rural e-business firms: the small pool of talents and the low number of external recruitment choices leave those losses of knowledge creating incomparable dissonance, which is only addressed by being retained as a mere cost-saving strategy, not as a competence-preservation strategy. The issue of balancing investment on retention versus resource constraints, which is very pronounced in micro and small businesses, implies that the rural e-business enterprises can utilize collaboration strategies like industry consortiums to share a common training program, or local area talent development strategies which shares the retention cost yet develops managerial capacity common to all.

Implications for Practice and Policy

The results have some practical implications on the various stakeholders in the rural e-business ecosystem. To individual firms, the findings indicate that the optimal approach to achieving competency in managerial functions is to go beyond the ad-hoc retention initiatives to a system of organizational retention initiatives which focus on career development paths, development of positive organizational cultures and establishment of conducive learning work environments despite financial constraints. The comparatively low weight of payment to managerial ability, though may also represent statistical suppression effects in the regression model, at any rate imply that the rural e-business enterprises should not feel mortally unlucky at the hands of compensation restraints as long as they can successfully exploit the developmental and cultural retention tactics. To policymakers and development agencies interested in the economic development in the rural areas, the study suggests that the promotion of e-business expansion would need support measures such as human capital retention infrastructures such as management training programs, mentorship networks and firm incentive packages based on comprehensive retention strategies taken by a given firm. The differences in the retention policy work between the micro and the large firms indicate the possible upside of the specific support plans to the micro and small enterprises, as they are disproportionately disadvantaged by the retention strategy as a means of developing the managerial competence. Lastly, the fact that employee satisfaction and organizational commitment are identified as the mediating factors imply that retention policies should not be crafted as either a contractual solution or a transactional one but as a bona fide attempt to holistically invest in employee wellbeing and organizational affinity, which will ultimately result in the development of managerial competence that inherently should be expected to take place over the course of time.

Conclusion

This research presents a strong empirical evidence to prove that the level of retention policies is an important prediction of managerial competence in e-business enterprises working in rural Raipur, and that retention policies are the determinants of variance of about 58.7% in managerial capability levels. The study illustrates that rural e-business firms are tactical since they focus on the developmental retention systems, such as career development, organizational culture, and work environment models more than financial incentives as they are pragmatic enough to adapt themselves to resource limitation and simultaneously, establish managerial competence by accumulating organizational knowledge and workforce stability. The results indicate that career development proves to be the strongest predictor of managerial competence that is mediated by employee satisfaction and organization commitment pathways hence supporting the idea that retention policies promote the capabilities of managers not only through explicit skills acquisition but also by promoting psychological conditions that facilitate longitudinal learning and knowledge transfer. Large differences between the size of the firms suggest that at the medium size of companies, there are strong retention structures and a high level of managerial competency and that at the micro and small companies the retention structure is limited in capacity to invest in retention although the talent retention is higher. The average scores at strategic orientation and innovation capability imply that, as much as the current retention practices continue to support operational excellence, there is still need to improve the current retention practices in culminating the higher-order managerial competencies; which is a critical element in providing competitive advantage in the dynamic e-business environment. The research has significant implications to the rural e-business professionals, indicating that the retention competence development must be seen as sustainable by incorporating integrated retention strategies that focus on career paths and organizational culture as opposed to salary competition, whereas policy makers should think about some of the special interventions that would help in retention competence-building in the smaller firms. Future studies should understand the longitudinal retention-competence correlation, look at sector-specific retention variance in e-business sectors, the impact of technology-based retention practice, and rural-urban retention performance to contribute more to the knowledge of human capital development in newly digitalized economies.

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