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Human Resource Management in Health Care Industries for Generation Y: Challenges of the 21st Century

Md Mahamudul Hassan
Taylor's University, Malaysia

Mohammad Nurul Alam
Universiti Tenaga Nasional, Malaysia

Nadine Campbell
Western Sydney University, Australia

Dorothea Bowyer
Western Sydney University, Australia

Md Reaz
Western Sydney University, Australia

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Keywords

HRM, Generation Y, Employee retention, Turnover, Job Satisfaction



Md Mahamudul Hassan¹, Mohammad Nurul Alam², Nadine Campbell³, Dorothea Bowyer⁴ & Md Reaz⁵

Abstract

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JEL classification: M40, M52, M54

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¹ Taylor's University, Malaysia

² Universiti Tenaga Nasional, Malaysia

³ Western Sydney University, Australia

⁴ Western Sydney University, Australia

⁵ Western Sydney University, Australia

1. INTRODUCTION

Generation Y (Gen Y), known as millennials, are individuals born between the 1980s and late 2000s (Prakash et al., 2021) with access to job opportunities at home and abroad (Del Campo et al., 2017). Studies have shown that 6 out of 10 Gen Y employees are dissatisfied with their workplace settings and are looking for new job opportunities elsewhere (Kelly et al., 2016; MacNeill et al., 2019; Parsons et al., 2003). Lu et al. (2016) noted that 50% of millennials intend to look for another job due to job dissatisfaction. For Gen Y, changing their employment has become part of their daily routine. This job-hopping generation likes to build parallel careers worldwide, resulting in high turnover costs for businesses (Bresman, 2015). The private sector struggles to satisfy and retain Gen Y employees compared to the government sector (Hom et al., 2017; Parsons et al., 2003; Wiggins, 2016). The turnover attitudes of Gen Y have led to an imbalance in the private sector (Bresman, 2015; Hom et al., 2017), and soft HRM is facing difficulties as traditional approaches are not working. Innovative retention strategies are required to meet Gen Y's employee-centric retention factors (Nabi et al., 2017). However, current retention strategies do not retain a viable workforce (Lee et al., 2017). As a result, Gen Y turnover has resulted in massive losses in the private sector (Ishfaq et al., 2011).

Management initiative is defined as a discrete, proactive undertaking that advances a new way for corporations to use or expand organisational resources (Birkinshaw et al., 1999; Liebowitz et al., 2003). Management initiative consists of innovation strategy execution and innovation-focused human resource policies (Sudin, 2011). Innovation strategy execution addresses specific actions that incrementally change with a focus on the desired outcome. Innovation-focused HR policies aim to improve job satisfaction, including people-focused policies, such as recruitment and selection and reward systems that foster innovation (Beugelsdijk, 2008). The current literature on management initiatives explores servant leadership theory (Kang et al., 2015), social exchange theory (Shahrudin & Daud, 2018) and Herzberg's two-factor theory (Karmaker et al., 2016). In addition, research specific to GenY retention includes leadership and management initiatives, innovative policies and strategies, and approaches to job satisfaction (Wells & Peachey, 2011).

Soft HRM is a management initiative that considers multiple stakeholder interests and considers employees a vital stakeholder group (Succi et al., 2020). Distinguished between hard and soft HRM, typified by the Michigan and Harvard models (Goleman et al., 2017). Soft HRM stresses the 'human' aspects of HRM and is concerned with communication, motivation, and leading rather than managing people in determining and realising strategic objectives. Primarily, it is referred to as a study of human relations that treats employees as valued assets (Gill, 1999). As such, soft HRM pays attention to the worker, and it has an association with the human relations school of Herzberg and McGregor (Storey, 1989). Soft HRM emphasises individual characteristics comprising two main aspects: employee personal traits and attitudes toward service work (Ashton, 2018). While highlighting the significance of HR policies aligning with organisational objectives, soft HRM focuses on people and assumes that employees are the foundation of significant advantage because of their adaptability, commitment, high-quality skills, and performance. Proactive employees have passive input into productivity, trustworthiness, development capability, and collaboration through

participation (Gill, 1999). Additionally, soft HRM has multi-tasking activities to enrich the job and improve operations in what is construed as the controlling and challenging approach to soft HRM.

Job satisfaction is the collection of feelings and beliefs that employees have about their current job, ranging from extreme satisfaction to extreme dissatisfaction (Do et al., 2018; Kashyap et al., 2016; Rajput et al., 2016). The literature suggests that employees have differing beliefs about various aspects of their jobs, such as the type of work, their relationship with their co-workers, supervisors or subordinates, and their pay (George et al., 2008). Sudin (2011) also pointed out a relationship between job satisfaction and life satisfaction, with many employees experiencing positive outcomes from personal and professional development.

Furthermore, there is a substantial relationship between job satisfaction and employee retention (Ashton et al., 2018; Bhattacharya et al., 2020; Kashyap et al., 2016; Kuknor et al., 2021; Liu et al., 2012). Theories show that employees' choice to switch workplaces is related to job satisfaction (Liu et al., 2012; Wang et al., 2012). Previous literature focused on the reasons for employee turnover, such as soft HRM and management initiatives involving training and development, freedom of innovative thinking, job security, and challenging work (Alam et al., 2020; Hemalatha et al., 2013). However, Chen et al. (2011) stated that turnover intentions do not show a significant difference compared to previous theories on job satisfaction levels. Therefore, the employee's ability to feel satisfied with their role and the organisation depends on their understanding of the job characteristics and career attitudes. The relationship between why employees decide to leave and what causes that choice is difficult to understand and correct. Therefore, retention of employees worldwide has been an essential issue for management faced with a high employee attrition rate (Mbugua et al., 2015).

As the turnover intention is a fundamental symptom of a universal problem, organisations should understand what makes people proactive and loyal. Thus, the view of retention is a logical activity of turnover, indicating the preference to stay rather than seek employment elsewhere (Hassan et al., 2019). Employee retention is a strategic and constructive process, starting with why employees want to be employed by a particular organisation (Sharma et al., 2021) and the numerous measures organisations take to convince employees to stay for extended periods (Singh & Sharma, 2015). As such, retention can be seen as a wilful move by the organisations to develop a domain, drawing in employees as long as possible. Accordingly, Hemalatha et al. (2013) suggested that retention policies should include three fundamental components - economics, workforce, and supply chain as well as retention strategies that depend on four categories: salary, job enrichment, working conditions, and education. In contrast, Mbugua et al. (2015) classified two retention tools: firstly, HR factors including challenging job opportunities, person-organisation fit, reward and recognition, training, and career development; and secondly, organisational factors including teamwork, the behaviour of leaders, policies, a pleasant work environment, and communication.

While there are numerous studies on the relationship between job dissatisfaction and job satisfaction and employee retention, the results on Gen Y turnover are contradictory. The research and literature on employee job satisfaction and turnover do not reveal any universally

agreed-upon solutions to mitigate the higher turnover experienced amongst millennials (Gotsis & Grimani, 2016). Furthermore, most of the research conducted is in the Western context, focusing on turnover for all age groups (Liu et al., 2012). As a result, different theories and models have been developed to resolve the emerging issues of Gen Y turnover (Ashton et al., 2018; Daniels et al., 2016; Do et al., 2018; Klimkiewicz et al., 2017).

Hence, this paper supports the view that the retention of employees should not depend on a single strategy, but further research is needed to examine job dissatisfaction and turnover of Gen Y due to the negative impact it has on organisational performance (Karmaker et al., 2016). This study considers the emerging problems of the constant turnover by Gen Y employees, including identifying the effects of management initiatives and soft HRM on job satisfaction and retention of millennial employees in Bangladesh's healthcare sector.

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Employee retention policies refer to the plans, methods, and strategies formulated by the organisations to retain their valuable workforce to better their performance. Scholars have noted that implementing innovative soft HRM may serve as a viable strategy to accomplish the creative development of product, performance, and new services (Do et al., 2018; Oke et al., 2012).

Management initiatives and Gen Y employee retention

Different scholars stress the importance of investigating the effects of different retention factors, including servant leadership, management initiatives, soft HRM, ethical climate and WLB (Work-Life Balance), on Gen Y employees, focusing on job satisfaction (Ashton, 2018; Do et al., 2018; Gotsis & Grimani, 2016; Graen & Grace, 2015; Lee, & Ha-Brookshire, 2017). While the three leadership styles positively motivated Gen Y, the servant leadership style was the most effective (Ashton, 2018). This may be because Sharma et al. (2020) servant leadership theory has been gradually modified to overlap with other leadership theories, including transformational leadership, authentic leadership, ethical leadership, Level 5 leadership, empowering leadership, self-sacrificing leadership, social learning theory, and spiritual leadership (Gotsis & Grimani, 2016). Additionally, social exchange theory and Herzberg's two-factor theory revealed that management initiatives enhance retention. Likewise, in a recent study, Graen and Grace (2015) concluded that management initiatives significantly affect employee retention. The literature suggests that there is a relationship between management initiatives and the retention of Gen Y employees. Therefore, we propose the management initiatives increase both Gen Y's retention and job satisfaction.

Soft HRM and Gen Y retention

The soft HRM approach considers all stakeholders, including owners, managers, decision-makers, government, non-government organisations, but focuses on staff to ensure job satisfaction and retention (Bleijenbergh et al., 2021). As previously noted, servant leadership theory, social exchange theory, and Herzberg's two-factor theories are rooted in the soft HRM school of thought and positively affects employee retention (Ashton, 2018; Graen & Grace, 2015; Gotsis & Grimani, 2016). Similarly, soft HRM practices that are strategically directed towards promoting and facilitating employee creativity assist organisations in retaining employees (Oke et al., 2012). Therefore, we propose the soft HRM increases both Gen Y's retention and job satisfaction.

The mediating role of job satisfaction and Gen Y retention

Different authors stress the necessity of examining the mediating relationship of job satisfaction against employee retention and other retention factors (Kangas et al., 2016). Hassan et al. (2019) believed that a variable might be considered a mediator or a moderator depending on the adopted theoretical framework. Other literature found that job satisfaction mediated antecedent-turnover intentions (Kangas et al., 2016; Graen & Grace, 2015). Naim and Lenka (2018) found that managers made employees feel valued and excited, mediated employee retention. Finally, job satisfaction concepts and retention factors associated with Herzberg's two-factor theory, social exchange theory, and servant leadership theory were found to be mediators (Malik et al., 2012; Mihajlov et al., 2016).

Both the empirical evidence and theoretical frameworks dictate job satisfaction as a mediator against retention factors and retention of Gen Y employees. As such, we propose that job satisfaction might mediate the relationship between management initiatives and Gen Y's retention as well as between soft HRM and job satisfaction.

Based on the prevailing literature, there is a perceived connection between job satisfaction and millennial employee turnover intentions. Servant leadership tends to have an impact on both job satisfaction and retention of millennial employees. Therefore, Figure 1 illustrates a moderated mediated hypothesis used to test the following seven hypotheses that this study investigates.

- Hypothesis 1:** There is a significant relationship between management and Gen Y's employee retention.
- Hypothesis 2:** There is a significant relationship between management and Gen Y's job satisfaction.
- Hypothesis 3:** There is a significant relationship between soft HRM and Gen Y's employee retention.
- Hypothesis 4:** There is a significant relationship between soft HRM and Gen Y's job satisfaction.
- Hypothesis 5:** There is a significant relationship between job satisfaction and Gen Y's retention.

Hypothesis 6: Management initiatives have a significant relationship with Gen Y employee retention mediating through job satisfaction.

Hypothesis 7: Soft HRM has a significant effect on Gen Y employee retention mediating through job satisfaction. Figure 1 illustrates a moderated mediated hypothesis.

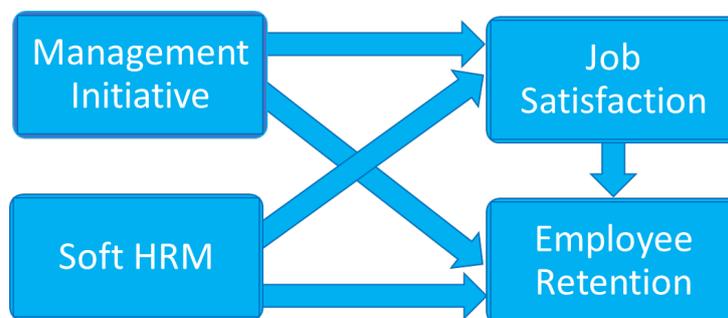


Figure 1: Research Framework

3. RESEARCH METHODOLOGY

Primary data was collected from healthcare professionals born between 1980 and 2000 working in large private companies, using the purposive sampling questionnaire-based survey technique. A total of 530 responses were collected, and 500 valid responses were used for statistical analysis. The five-point Likert scale questionnaire was adapted from the existing literature and examined the relationship between management initiatives, soft HRM, job satisfaction, and employee retention employing quantitative research methods. The partial least square structural equation modelling (PLS-SEM) was administered to analyse the data. PLS data were analysed in two steps. First, the measurement model was applied to ascertain the interconnection of all variables tested by producing the standardised regression coefficients for the model (Gotz et al., 2010). Second, the structural model employed SEM, preliminary examinations, and descriptive statistics.

4. DATA ANALYSIS

The evaluation of construct validity was measured by using convergent and discriminant validity. It was measured by evaluating the constructs' standardised loadings, where loadings larger than 0.6 were retained (Birkinshaw et al., 1995; Johansson & Yip, 1994). In reaching sufficient convergent validity, as shown in Table 1, the factor loading for the remaining items ranged from 0.736 to 0.916, the composite reliability (CR) exceeded 0.70, and convergent validity (AVE) was more than 0.50 as recommended by Chiang et al. (2012).

Table 1: Construct Validity & Reliability

Factors/Items	Factor Loading	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Employee Retention		0.932	0.948	0.786
ER1	0.830			
ER2	0.897			
ER3	0.895			
ER4	0.916			
ER5	0.892			
Job Satisfaction		0.920	0.938	0.717
JS1	0.832			
JS2	0.871			
JS3	0.890			
JS4	0.876			
JS5	0.864			
JS6	0.736			
Management Initiative		0.893	0.921	0.700
MI1	0.792			
MI2	0.878			
MI3	0.857			
MI4	0.853			
MI5	0.799			
Soft HRM		0.882	0.914	0.680
SHRM1	0.784			
SHRM2	0.852			
SHRM3	0.819			
SHRM4	0.835			
SHRM5	0.830			

Discriminant validity was used to measure the extent of the construct difference between one another and used the Fornell-Larcker, and HTMT approaches. Through the Fornell-Larcker approach, the value of square root AVE should be larger than the inter-correlations with any other constructs in the model. As depicted in Table 2, all the square roots of the AVE were more significant than their corresponding inter-correlations. Thus, the assessment of reliability and validity suggested that the measurement model was satisfactory.

Table 2: Discriminant Validity- Fornell-Larcker

Factors	Employee Retention	Job Satisfaction	Management Initiative	Soft HRM
Employee Retention	0.887			
Job Satisfaction	0.245	0.847		
Management Initiative	0.213	0.228	0.837	
Soft HRM	0.225	0.236	0.212	0.825

Table 3 shows that the highest HTMT value was 0.261, which is lower than the cut off value of 0.90 (Henseler et al., 2015). Therefore, this study's constructs have adequate discriminant validity.

Table 3: Discriminant Validity - HTMT

Factors	Employee Retention	Job Satisfaction	Management Initiative	Soft HRM
Employee Retention				
Job Satisfaction	0.261			
Management Initiative	0.230	0.246		
Soft HRM	0.243	0.261	0.236	

Structural model assessment

Table 4 illustrates the structural model assessment, which includes the coefficient of determination (R^2), effect size (F^2), multicollinearity (Inner VIF), and predictive relevance (Q^2) (Hair et al., 2013). The higher R^2 value of the endogenous variables were 0.108 and 0.089, verifying the model's general prediction strength and fitness (Gotz et al., 2010). F^2 was used to measure the effect size where values between 0.00 and 0.15 indicate a small effect size. In contrast, values between 0.15 to 0.35 show a medium effect, and values above 0.35 indicate a significant impact (Hair et al., 2016). The impact of management initiatives and soft HRM on employee retention was 0.032, 0.020, and 0.024, which indicates a medium result. VIF values below 5 indicate no multicollinearity problem, and the outcomes listed in Table 4 demonstrate that job satisfaction on employee retention had a negligible effect because the F^2 values were 0.032, 0.020, and 0.024, respectively. Finally, the Q^2 blindfolding test was done as an extra evaluation of model fit in PLS analysis (Figure 2) to assess predictive relevance when values are higher than zero (Geisser, 1975). This study's Q^2 values were higher than zero and, therefore, has predictive relevance.

Table 4: Structural Model Evaluation Results

R^2		
Endogenous Variables	R Square	R Square Adjusted
Employee Retention	0.108	0.102
Job Satisfaction	0.089	0.085
F^2		
Exogenous Variables	Employee Retention	Job Satisfaction
Job Satisfaction	0.032	
Management Initiative	0.020	0.036
Soft HRM	0.024	0.041
Inner VIF		
Exogenous Variables	Employee Retention	Job Satisfaction
Job Satisfaction	1.098	
Management Initiative	1.085	1.047
Soft HRM	1.090	1.047
Predictive Relevance (Q^2)		

Endogenous Variable	CCR	CCC
Employee Retention	0.077	0.636
Job Satisfaction	0.059	0.576

Path coefficient (direct effect) results

This statistical bootstrapping procedure was used to test the hypotheses results, which were deemed statistically significant, as noted in Table 5. Job satisfaction had a significant effect on the millennial employee retention (Beta=0.178, $t=3.430$, $p<0.001$), management initiatives and soft HRM and had significant effect on millennial employee retention (Beta=0.139, $t=2.682$, and $p=0.008$; Beta=0.154, $t=2.880$, and $p=0.004$). Furthermore, there was a significant association among management initiatives, soft HRM, and job satisfaction, presented in Table 5 and Figure 3.

Table 5: Path Coefficient Results

Hypotheses	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Job Satisfaction -> Employee Retention	0.177	0.178	0.052	3.430	0.001
Management Initiative -> Employee Retention	0.141	0.139	0.052	2.682	0.008
Management Initiative -> Job Satisfaction	0.186	0.187	0.048	3.847	0.000
Soft HRM -> Employee Retention	0.153	0.154	0.053	2.880	0.004
Soft HRM -> Job Satisfaction	0.197	0.201	0.050	3.954	0.000

Mediating results

Table 6 details the mediating role of job satisfaction in the relationship between management initiatives and millennial employee retention was also statistically significant. The results showed that management initiatives and soft HRM have a significant and indirect positive effect on Gen Y employee retention mediated by job satisfaction.

Table 6: Mediation Results

Hypotheses	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Management Initiative -> Job Satisfaction -> Employee Retention	0.033	0.034	0.014	2.365	0.018
Soft HRM -> Job Satisfaction -> Employee Retention	0.035	0.036	0.013	2.582	0.010

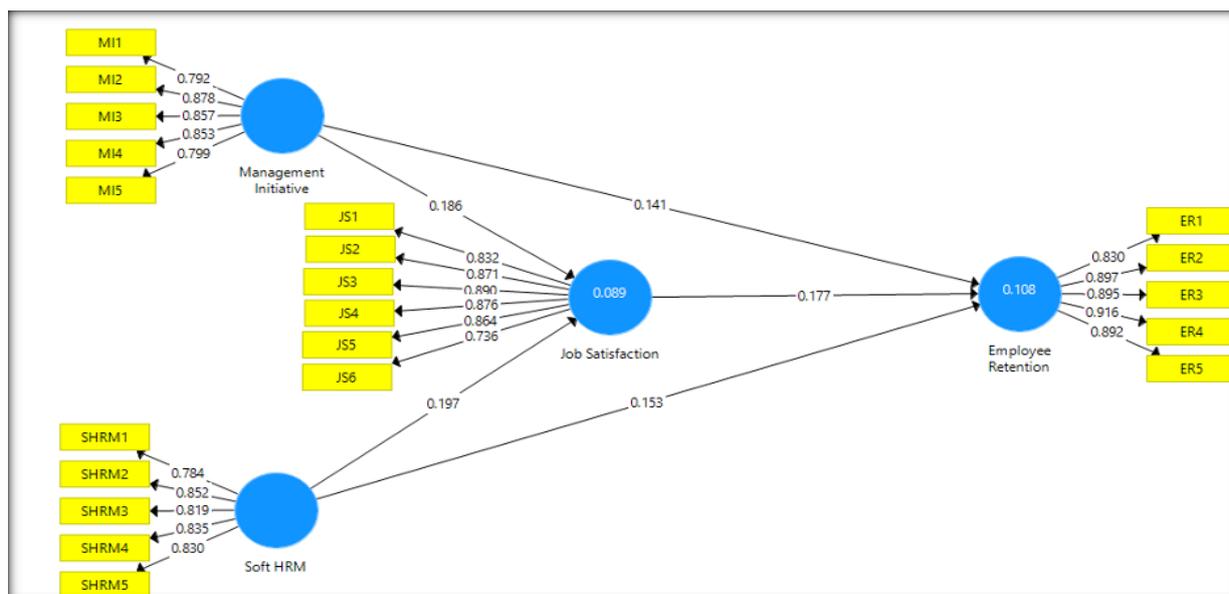


Figure 2: PLS Algorithm (Outer Model with Factor Loadings)

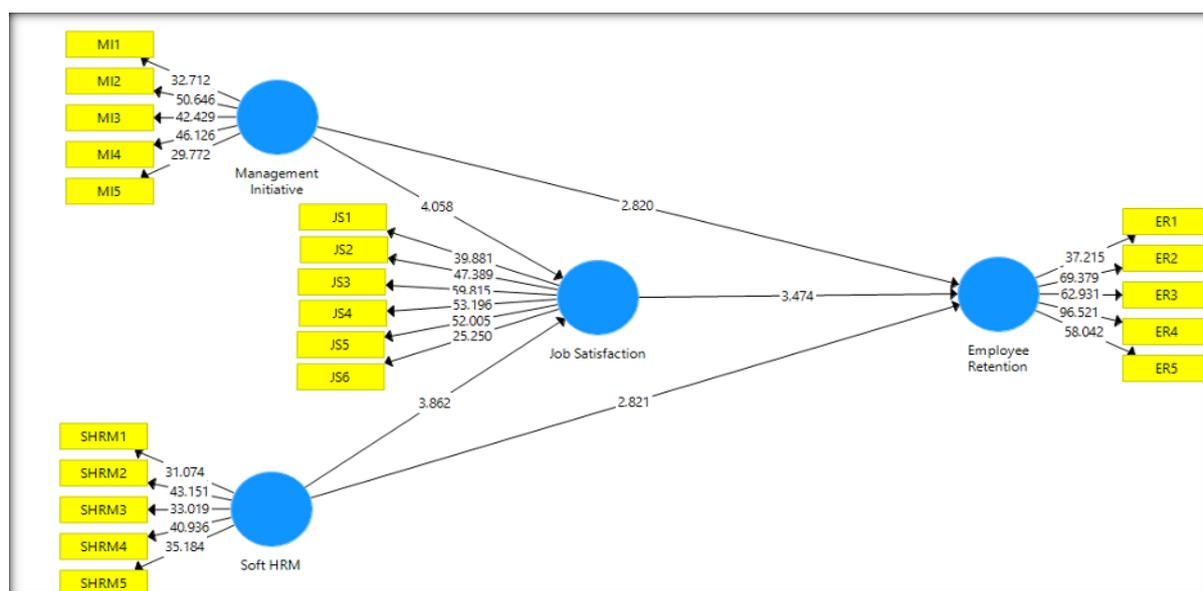


Figure 3: Structural Model (Bootstrapping – t-values)

5. DISCUSSION

This study examined the relationship between management initiatives, soft HRM job satisfaction, and retention of Gen Y. Our empirical research found that 1) management initiative had a positive effect on both Gen Y job satisfaction and employee retention; 2) soft HRM had a positive effect on both Gen Y job satisfaction and employee retention; 3) job satisfaction had a positive effect on Gen Y retention; 4) Management initiatives mediated through job satisfaction has a positive relationship with Gen Y employee retention; and 5) soft HRM has a significant effect on Gen Y employee retention mediated through job satisfaction.

This study also found that hard HRM does not help retain Gen Y employees as hard HRM sees employees as resources who can be efficiently managed to produce desired organisational behaviours (Ashton, 2018). Instead, the more integrated viable soft HRM approach is needed for job satisfaction and employee retention. In particular, soft HRM management initiatives with innovation-led HR policies and strategies positively influenced job satisfaction and retention among millennial employees.

The innovation-led policies and strategies need to be conceptualised and reflect the organisation's specific measures that support innovation. Soft HRM strategies like HR planning, reward systems, performance appraisal, and career management can promote innovation. Additionally, emphasising innovation in the recruitment, compensation, and promotion of employees is vital to the innovative success of organisations. By recognising the relationships between positive soft HRM approaches at the workplace and organisational support perceptions, an organisation can develop an innovative strategy and create a positive workplace dynamic (Ashton, 2018; Cook et al., 2016; Joshi, 2012).

Innovation-led policies and strategies are not enough to ensure organisational success. This research also found that management practices should be integrated into innovation-led soft HR policies and strategies for organisations to achieve their objectives. Management practices that promote the acute need for motivation and job satisfaction, such as a flexible work environment and better communication, are needed. Job satisfaction and work motivation are positively affected by adequate levels of communication established in the organisation (Ashton, 2018; Cook et al., 2016).

Therefore, innovation-led soft HRM approaches that signify the organisation's strategic objectives and investments could be a latent enabler to pool a uniquely motivated workforce and produce a competitive advantage (Cook et al., 2016). A motivated worker is more creative, more productive, and produces additional value for the company. Management practices used to strengthen overt and covert agreed-upon rules may be considered a strategy for employee retention. Therefore, it is imperative to motivate all personnel, tap into their potential and move them towards achieving higher productivity levels.

Finally, the study found that management initiatives are likely to have a relationship with job satisfaction and retention of Gen Y employees. Armstrong and Taylor (2014) stated the importance of bridging the gap between soft HRM, job satisfaction, and employee retention. Moreover, servant leadership theory and Herzberg's two-factor theory noted that the private industry has unique characteristics, especially in the crucial role of direct face-to-face contact between staff and customers. Hence, best practices involve helping and improving employee behaviour, job satisfaction, and retention (Ashton, 2018; Joshi, 2012). Despite a scarcity of research in a developing country context (Ashton, 2018; Cook et al., 2016; Joshi, 2012; Gill, 1999), recent studies concerning soft HRM, employee retention, and job satisfaction also indicate that there is a significant relationship among the three (Ashton, 2018; Cook et al., 2016; Hom et al., 2017). As such, this study supports the existing literature as all the hypotheses are positively significant. Management initiatives and soft HRM have significant positive impacts on Gen Y employee retention mediated by job satisfaction.

Theoretical Implications

Theoretically, this study contributes to the body of knowledge by uncovering the relationship between management initiatives as a predictor of retention among millennial employees. This is achieved by finding the causal relationship between management initiatives' integrated retention and soft HRM while holding Gen Y employee retention as an endogenous variable.

Similarly, this study's underpinning theory revealed a complicated relationship between retention factors necessary for employee job satisfaction and retention from an employee work motivation perspective. Furthermore, frequent turnover and retention efforts should be matched with new workforce functional requirements. It is imperative to introduce new integrated approaches to employ and retain Gen Y employees in a changing world of work (Graen & Grace, 2015).

This study also contributed to the existing literature about Gen Y's perspective by highlighting the necessities that job satisfaction is a mediator. The research gaps did not cater to the different causes and consequences of employee turnover in a generational context. Researchers highlighted the need to investigate management initiatives of servant leadership, ethical climates, work-life balance, and soft HRM approaches against the emerging Gen Y's turnover intentions (Abate et al., 2018; Do et al., 2018; Graen & Grace, 2015; Oke et al., 2012).

Moreover, most of the studies undertaken in the Western context urged that extensive research could bridge the gap related to retention of Gen Y in the private sectors (Bresman, 2015; Graen & Grace, 2015; Ishfaq et al., 2011; Kang et al., 2015; Lyons et al., 2015; Wiggins, 2016). According to Bresman (2015), Gen Y's expectations are described only in a Western context. Other than China, the Asian regions are behind in implementing and practising HR management policies (Bresman, 2015). Schmidt and Rosenberg (2014) stated that we must look for viable approaches that will influence the latest thinking to address the turnover issues in the present emerging scenario of Gen Y. Therefore, this study filled the gap in the current literature by investigating millennial employee retention beyond the Western context and generalising its findings for future researchers in developing countries in emerging health industries.

Practical implications

The research outcomes will help retain Gen Y employees and assist companies in overcoming and preventing the enormous losses related to staff acquisition and retention, thus benefiting all stakeholders. Furthermore, the study will be helpful for practitioners and academics in Bangladesh and globally who are in a similar context. Past literature has clearly stated the significant positive impacts of management initiatives and soft HRM on turnover intention. However, most of the studies have been carried out with a focus on a single sector with limited samples, or they did not focus on appropriate underlying theories, and more importantly, generational characteristics (Kumari & Pandey, 2011; Shamim et al., 2014). Most of the previous studies considered general turnover, but Gen Y turnover in the private sector is increasing rapidly and needs to be better understood.

Nevertheless, turnover intentions that diminish firm effectiveness hinges on different contextual retention factors, and these effects are not necessarily linear or instantaneous, rather

contextual. This study tested the instrument for measuring four constructs: management initiatives, soft HRM, Gen Y's employee retention, and job satisfaction found in the literature. The mediation analysis of this study reinforces that job satisfaction mediates the relationship between management initiatives to the retention and soft HRM to the retention of millennial employees among medical practitioners in private institutions in Bangladesh.

Finally, this research proposes a validated model for the role of management initiatives, soft HRM, Gen Y employee retention, and job satisfaction in healthcare in developing countries. This research may inspire further investigations into these four constructs to inform human resource practitioners how to enhance job satisfaction and increase retention among millennial employees in similar contexts. In short, Gen Y management initiatives, innovation-led soft HRM, and job satisfaction are prerequisites for employee retention to combat dissatisfaction among private health care providers. The empirical evidence can formulate or redesign the organisation's human resource strategies at all policymaking levels.

6. LIMITATIONS AND FURTHER RESEARCH

This study had numerous theoretical and practical applications, but it is not without limitations. Firstly, the data source came from medical practitioners working in Bangladesh's private healthcare sector. Although this helped us prevent potential confounding variables, it limited the observed variability and decreased external validity.

Secondly, the respondents' response rate was 67.14% due to the voluntary nature of the study. While it was not possible to disregard the sampling bias due to the purposive sampling procedure of the study, the sample size was disproportionate to reveal a disparity in responses based on gender.

Finally, the study used a cross-sectional design, which cannot analyse behaviour over time, and Gen Y job satisfaction and retention habits may change. Also, it can help with inference but cannot determine causal relationships. Our predictions were based on the logic that management initiatives and soft HRM positively affected Gen Y employee retention and job satisfaction. However, job satisfaction can also motivate retention in the absence of soft HRM or innovative management initiatives. Although the pathway we hypothesised seems theoretically more reasonable, the possibility of reverse causality cannot be ruled out.

These limitations provide a gap for further research where our study needs to be replicated in other emerging economies to validate the results. Further research should be conducted in multiple industries and other developing Asian countries. We also recommend that more rigorous research of inferring causation methods like case studies or longitudinal studies is needed to investigate whether management initiatives and soft HRM positively relate to job satisfaction and Gen Y retention. Additionally, further researchers should include contextual factors such as the extent of supervisor relationship and trust as an interacting variable due to the hidden costs to turnover. Future research should also explore how to manage employees more efficiently through soft HRM to determine the impact on job satisfaction and employee retention (Ashton, 2018). Soft HRM has a relationship between job satisfaction and turnover intentions, requiring a large scale study. In short, more research on job satisfaction mediated

through management initiatives is needed to understand better the problems associated with retaining millennial employees.

7. CONCLUSIONS

In the last decade, various industries have faced chronic turnover problems (Lyons et al., 2015; Talukder et al., 2014; Simmons, 2016; Wiggins, 2016;) and are required to combat the retention dilemma of Gen Y (Hom et al., 2017; Ishfaq et al., 2011; Kang et al., 2015). Previous studies have found that job satisfaction has positive effects on employee retention. However, improving job satisfaction and retention within a company poses a significant challenge.

Dimitriou et al. (2012) stated that soft HRM and job satisfaction could diminish employee turnover, which causes considerable direct and indirect costs to organisations, consistent with earlier studies and the principles of Herzberg's two-factor theories. Viable soft HRM carries greater job satisfaction, supporting and reinforcing other research that indicates that soft HRM is expressly related to job satisfaction and employee retention (Ashton et al., 2017).

In investigating Gen Y retention within the private healthcare system in Bangladesh, this study identified the significant positive effects of soft HRM and management initiatives on job satisfaction and retention. It provides a basic guideline for formulating and re-evaluating relatively inexpensive and practical methods to enhance retention practices. Retention factors like management initiatives and soft HRM are significant in Gen Y employee retention in the private health sector, where human capital is the primary resource. Finally, the study concluded that all stakeholders in the Bangladeshi private health sector should consider the importance of retention factors when designing or reviewing retention strategies and policies that include management initiatives, innovation-led soft HRM, and job satisfaction to combat the enormous losses incurred Gen Y turnover rates.

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