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A STUDY OF HUMAN RESOURCES MANAGEMENT PRACTICES IN TEXTILE INDUSTRY IN TAMILNADU STATE

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ABSTRACT

Textile industries have remained among the most labor-intensive sectors in India and are a major employer. Tamil Nadu is one of the most prominent destinations for textile and garment production. The growth of the textile industry has been consistent with the level of competitiveness, which is largely driven by the effectiveness and flexibility of Human Resource Management. HRM is a major determinant of whether the organization will be able to attract, cultivate, and retain a workforce capable of meeting the challenges of modernization, pursuing quality, and meeting international market demands. Therefore, this study intended to examine the impact of HRM practices on labor turnover, worker productivity, and attrition in the textile industry in the state of Tamil Nadu, India. The purpose of this study, therefore, was to examine the causes of high attrition rates and analyze HRM practices used to create a working environment conducive to employee retention in the textile industry, which was conducted in major industrial clusters including Coimbatore, Tirupur, Erode, and Karur. * To understand the impact of HR policies related to selection, training, labor welfare, remuneration, and performance appraisal on the job satisfaction and commitment of the textile labor. The methodology included both quantitative and descriptive research, and, as such, primary data were collected through a structured questionnaire administered to 150-200 textile employees to evaluate perceptions of HRM practices and the determinants of large-scale retention. The data were then analyzed using parametric tests (univariate, bivariate, and multivariate) and exploratory statistical tools, including reliability tests (Cronbach's Alpha), Correlation Analysis, and Principal Component Analysis (Factor Analysis) to examine relationships among variables and their influence on labor turnover. The study revealed that Welfare measures, continuous training programs, and fair performance appraisal were the most correlated with employee satisfaction and retention. In other words, when emoluments were managed in a fair manner, employees were less likely to seek a change in employment. Poor compensation, high work pressure and workplace stress, and a lack of growth opportunities were responsible for high attrition. The research is an additional resource for existing studies on the subject, providing regional insight into HRM in one of India's industrial states. The study's results would help policymakers, trade unions, and HR managers. For instance, a common



approach to mitigate the influence of this type of human resource management is to establish a regulatory framework to reduce labor turnover; these steps can be taken at the policy and industry levels, respectively.

KEYWORDS: Human Resource Management Practices, Textile Industry, Employee Retention and Attrition, Job Satisfaction

1. INTRODUCTION

The textile industry in India is one of the oldest and most vital sectors, with a considerable impact on the country's economy, heritage, and employment generation. The industry, which has more than 5,000 years of history, has transformed from traditional village handlooms and artisanal production to modern, large-scale technological spinning and garment manufacturing. An industry highly dependent on labor, the textile and apparel industry accounts for approximately 2.3% of India's GDP, 13% of the industrial production, and 13% of the total exports, making it the second-largest employer after Agriculture. The southern state of Tamil Nadu, which is considered the textile and apparel manufacturing hub in India, alone accounts for one-third of the country's textile and garment exports and employs more than 6 million people, both directly and indirectly. The state's textile power is geographically clustered, with well-known industrial clusters such as Coimbatore, also called the Manchester of South India; Tirupur, a global knitwear hub; Erode, predominantly for dyeing and weaving; and Karur, home to textile producers, among others. Over the decades, they have shifted from running family-owned handlooms to modern research spinning mills and integrated factories. These clusters have strengthened the state's industrial growth, foreign exchange earnings, and social development. Although the clusters have moved with the times to incorporate modern technology and expanded their exports, their competitiveness and sustainability rely heavily on the human resource management practices.

Human Resource Management is the strategic cornerstone of productivity in the textile industry. The efficiency and success of textile enterprises are not determined by the excellence of machines or the purity of raw materials, but by how effectively they utilize their human capital. HRM generally involves the following activities: recruitment and selection, training and development, compensation and wages, performance appraisal and reward, welfare measures, motivation, and securing compliance with labor and factory laws. The effectiveness of HRM systems results not only in high productivity from workers but also in a high degree of motivation, job satisfaction, and commitment to organizational goals over the long term. In the textile sector, a labor-intensive industry characterized by manual skills and repetitive operations, HRM plays an essential role in reducing absenteeism, turnover, and industrial disputes while fostering a cooperative, conducive environment. There is a significant body of national and international research demonstrating the linkages among HR policies,



progressive work practices, and organizational performance. These studies across various industries, including manufacturing, establish that factories with more HR practices, such as employee welfare measures, continuous reskilling, transparent performance appraisal, and rewards based on incentives, are more productive, have lower turnover, and higher morale. Conversely, poor HR practices generally lead to a high labor turnover, skill shortages, low motivation, and poor product quality. For textile firms participating in export markets, HRM policies that align with manufacturing strategy and quality goals will determine their global competitiveness.

However, very few studies have empirically examined how well current HRM processes and tools are implemented in Tamil Nadu's textile clusters. Most research papers focus on other Indian states, such as those in the North and West. This creates a research gap about HR challenges in southern textile hubs. Tamil Nadu has a highly diversified workforce. It includes laborers, women workers, and semi-skilled employees, each requiring specialized HRPs. The workforce faces wage inequalities, limited implementation categories, few training options, and high employee turnover. These problems lead to workforce instability and declining organizational growth. There is therefore a need to examine existing HRM practices and identify the causes of high attrition. A talent retention strategy must be formulated for Tamil Nadu's textile sector. This study addresses a research gap by examining HR policies, welfare initiatives, and retention strategies in textile companies. The present study can help companies identify the impact of HRM dimensions and job satisfaction. It also aims to help formulate strategies to strengthen workforce commitment and organizational activities.

2. LITERATURE REVIEW

Hr practices, which are training, compensation, welfare, and performance appraisal: Recent work underlines that structured HR practices, namely training & development, fair compensation, welfare provisions, and reliable performance appraisal systems, are critical for the operational efficiencies of textile establishments. Training programs primarily address technical competence when mechanization and quality standards are disrupted. Continuous skills development, as mentioned in the Program, reduces quality defects and rework costs. Compensation and incentive systems administration, with productivity and quality, aligns worker objectives with firm goals. Welfare averages, medical facilities, canteens, transport, and safety provisions improve School attendance, morale, and retention. Indian textile clusters repeatedly demonstrate that a mix of training, timely pay, welfare programs, and objective appraisal results in Higher job satisfaction and lower turnover. Kueh's Institutions are the true competitors. Factors that affect employee retention and attrition: Multiple province-level surveys in India point to excessive workloads, low outflows, limited talent development, unfair appraisal, and poor working conditions as the top reasons for employee attrition in textile units. Conversely, resistance is promoted by equal outflows, upward mobility, protection, welfare, and advancement. Late Tamil Nadu firm surveys, Karur, Tirupur, expose demographic



dimensions—age, teaching, gender — as bishops—for example, younger educators exhibit greater mobility unless retention interventions are in place. Purpose. Save study-edge businesses or towns, and the scope of a high share of simulacras and female workers, then missionaries cluster towns, generic-priced farmers, can perform worse.

Role of HR in productivity and organizational commitment:

Textile manufacturing relies heavily on effective HR practices to drive productivity and organizational commitment. The industry’s success depends on employee reliability, which influences product quality and timely delivery. Evidence shows that targeted HR interventions in textiles yield measurable gains, such as higher throughput and fewer defects. Notably, HR strategies must suit their context: for example, Bengaluru and Tamil Nadu differ in workforce characteristics and industrial culture. This means that effective HR practices need to be adapted for regional conditions, such as cluster-specific skills training and gender-sensitive welfare. Regionally relevant HR approaches have proven more effective than generic policies.

While existing studies affirm the value of HRM for textile competitiveness, they point to a lack of region-specific research, especially in Tamil Nadu. Important questions remain about the effects of digital upskilling, occupational safety, and gender-responsive policies. There is a need for large-scale, empirical studies that compare HR practices across clusters, integrate both survey and firm-level data, and examine outcomes for different worker segments. Such research would help clarify how HR strategies contribute to productivity and retention in various contexts.

3. PROPOSED METHODOLOGY

To understand the concept of HR practices in the textile industry and identify the research gap, approximately 20 articles published from 2009 to 2023 in high-impact journals were reviewed. The respondents' opinions on HR practices in their textile industry, including reasons for HR attrition and possible strategies to address gaps and retain talent, were taken as the dependent variable. The study is based on 125 convenience respondents who are working as laborers or employees in the garment industry in Bengaluru city, Karnataka. The population target for this study was selected based on the convenience of the researchers and the questionnaire administration to obtain their responses. Both primary and secondary data were used in this study. The data were collected from primary sources, such as questionnaire surveys and personal discussions with respondents, while the secondary data were collected from the internet, journals, books, etc. In this study, the present analysis uses univariate, southeast, and multi-south.

4. RESULT AND DISCUSSION

4.1 Reliability test and Data description: After checking for reliability, we went to data description, which is one of the significant aspects when it comes to scaling items and measuring the extent to which it relates to HR practice. Of the 24 items added from various books on HRM practice, the



Cronbach's Alpha test conducted on the entire 24 items was 0.812; the scales have an acceptable index mean. It actually means that our scales —training and development, compensation, welfare, performance evaluation, the work environment, and organizational commitment — were stable and measured effective HRM practice dimensions. A scale with a range of 0.78 to 0.85 was used in earlier HRM studies in the textile area, which was deemed sufficiently sound, and the items used in the Tamil Nadu textile context scale showed that they were good enough to gauge staff perceptions. Therefore, the tensors were determined to be statistically significant for a factor analysis, including correlation and factor extraction.

4.2. Univariate analysis: after reliability testing, data description is followed by univariate analysis. Data description helps management style factor analysis and construct measurement. From the findings after processing, the data revealed that a significant percentage of employees were satisfied with training opportunities, safety measures, and other welfare factors. About seventy-four percent of respondents believe that periodic training is necessary, while 58% think that the materials offered are directly responsible for their work capacity. However, about 40% of staff were dissatisfied with remuneration and performance-based rewards, saying it does not match the workload or experience.

4.3 The study employs the results of several such prior studies conducted in Bengaluru and other textile hubs across the country to conclude that employee retention and morale are closely related to the quality of HR practices. The relevance of the training, welfare, and appraisal process in Tamil Nadu is especially striking, given the state's heavy reliance on semi-skilled and migrant workers. The textile firms in Coimbatore and Tirupur have realized that training investment finds a quick return—a well-trained employee is key to operational efficiency and reduced defect rates. Welfare policies were also a decisive consideration, since subsidized canteens, transportation, and health coverage helped maintain both local workers and migrant inflows. Appraisal and recognition perceptions were decisive for workers' desire to continue laboring, especially in family-owned units where an informal HR structure substitutes for the absence of HRM. Additionally, a notable gender difference is evident: women, who constitute a sizeable proportion of the garment-working population, express greater interest in safety, fair wages, and welfare benefits than men. In addition, a legacy factor played out in Erode and Salem, where HR was shaped by strong trade unions that promoted grievance redressal and compliance. Export-oriented clusters like Tirupur, in contrast, have already integrated an international HR system that complies with buyers' wishes. Generally, however, the research evidence suggests that HRM can be decisive in maintaining low labor turnover and employee satisfaction when implemented strategically and fairly. Such an HR view fosters development and shifts the company's attitude from a purely instrumental to a developmental one, resulting in resilient, competitive organizations.

5. CONCLUSION

The above findings have again emphasized the importance of the maturity and strength of Human



Resource Management systems in Tamil Nadu's textile industry in maintaining continued growth and competitiveness. As one of India's major textile states, Tamil Nadu makes a significant contribution to the overall textile exports and employment. The existence of this status, however, should not be left to chance, such as increased technological adherence or market expansion. As the study shows, the textile industry can only dominate in terms of labor efficiency; it is the main player in production, innovation, and quality assurance. Addressing performance appraisal systems, welfare, and employment training programmes can substantially improve retention, satisfaction, and commitment. Among these, the rank of performance evaluation was a blowout as the apparent instrument for establishing trust in long-term organizational relationships. Workers who see their efforts result in positive changes are more motivated, have no intention of quitting, and align with the organization's aims. In the same impact grid were welfare programs such as health insurance, transport, canteens, housing programs, and grievance redressal systems. Skill training is equally a necessity in the volatile industry. Renewed globalization, automation, and environmental sustainability have brought major changes to the industry; therefore, workers need to be reskilled to meet the new requirements. In an era where employability is the basis for continued employment, reskilling plays a critical role in building employee loyalty. With the focus on training quality in Coimbatore, Tirupur, and Karur, Tamil Nadu's textile firms across these regions have seen the light in aligning their training modules with export-quality standards and emerging technologies. Efforts should be extended to the other teams irrespective of scale. The state should ensure the industry's health of production, regardless of labor levels or scale. The survey also reveals persistent challenges affecting the effectiveness of Tamil Nadu's textile labor framework. High workforce migration, particularly among women and young workers, disrupts production and increases hiring costs. Low wages, limited advancement, and outdated training further hinder employee retention. Informal HR practices in smaller, family-run units cause inconsistencies in welfare and performance measures. To address these issues, the survey proposes a state-level HR framework for textiles, involving collaboration among the government, industry associations, and labor welfare boards. This framework should standardize HR practices, salary structures, skill development, and labor standards across the state. Enhanced HRM with digital tools will support data-driven policy making. The main argument is that sustainable growth in Tamil Nadu's textile sector depends on a human-centered approach supported by structured HRM, rather than just on production efficiency.

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