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**INFLUENCE OF HR POLICIES ON EMPLOYEE ATTITUDE AND PERFORMANCE IN THE IT SECTOR: A DELHI-NCR PERSPECTIVE**

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*As IT sector is a highly growing industry and a hub of innovation which also include high attrition rate and rapid technological shifts. In today's era to have competitive edge on other organizations, companies focus on their human capital by investing in their training and development and provide them with a transparent and fair compensation pay structure and better benefits than their competitors. This study mainly focuses on two HR policies: Training and Development & Compensation and Benefits- impacts employees' attitude and on job performance in IT sector of the Delhi NCR region. For this purpose, primary data is collected through questionnaires from 100 respondents (entry level, middle level and senior level management) in IT sector. On analysis, Cronbach's alpha for all the 16 items is calculated which is 0.82 and  $R^2$  for attitude and performance value is 0.383. On applying Multiple Linear Regression result shows that IT employees prioritize the compensation and non-cash benefits rather than training and development programs to remain associated with organization. So HR strategy should be in such a way that employee capability development and reward systems jointly strengthen organizational commitment and performance. As the data is collected from Delhi NCR region (Gurugram, Delhi and Noida), its scope is limited to Delhi NCR region only.*

**Keywords:** HR policies, Training and development, Compensation and benefits, Employee attitude, employee's performance.

**INTRODUCTION**

Every organization have different HR policies for Recruitment and selection, compensation and benefits, Training and development, Promotion and Transfer and for other welfare activities for the employees. According to Chibuzo Christian Ohagwa (2025), training is a formal program given to employees so that they can enhance their skills for any particular task or position. When employees accomplish any task, it helps them to build their confidence level which results in high performance and productivity. Providing suitable training and development process to employees help to retain best employees of the organization because in today's era everyone is looking for better opportunities for themselves. It helps organization to develop future leaders through career planning. Current trends that are followed for trainings are self-personalized trainings, Virtual and augmented Reality, Social learning, soft skill development, Hybrid team training etc.

Compensation is the remuneration which an employee receives in lieu of contribution he/she provides to organization. Providing compensation and benefits either monetary or non-monetary helps to maintain relation between employer and employee. It is an integral part of human resource development which increase employee's motivation and improve overall organizational effectiveness. Compensation can be direct and indirect: A direct compensation includes salary and health benefits and Indirect compensation includes personal motivation of employees it can be development trainings, recognition, promotion or transfer to hometown etc. It's necessary that compensation structure is developed as per industry competitiveness. As in IT sector attrition rate usually remain high, so a transparent pay structure helps to retain best employees. While designing a pay structure key issues that has to be considered are equity, performance related compensation, flexibility and clear communication. It will help to attract, retain and motivate employees. A transparent compensation structure can be developed from job evaluation or from salary survey method. A well-structured compensation structure attracts and retains best employees. According to Reddy (2020) Employees usually notice increase in their salary and that pay check which have increase in salary. It develops a positive and productive attitude in employees. Both training and compensation plays crucial role in organizational as well as in individual performance and development.

**LITERATURE REVIEW**

According to Loganathan & Dharmaraj (2017) a proper delivered training provides a range of knowledge, skill and attitude to the employee. These trainings can be on the job, mentoring and coaching. In IT sector technological advancement take place at a rigorous pace which increase the need of training to employees. Kaur & Verma (2018) researched on influence of Employee job satisfaction which help to build employee's attitude on employee's performance in IT sector of Delhi NCR region. Researched analysed that job satisfaction shows

a positive correlation with employee's performance. Agarwal, Bachhil, Singh, Srivastava (2021) conducted a study on digital HR trainings in Delhi NCR shows the result related to positive relation of trainings with job satisfaction, self-efficacy and employee's performance.

As the training and compensation impacts differently on employees performance but it also includes different factors such as a study conducted by Pramono & Prahawati (2022) the impact of training on employee's performance including commitment and competence as intervening factors in a company of steel industry. Researcher found that training shows positive impact but not significant effect on employees' performance. Whereas Tien Thanh, Thu Ha (2024) researched that employees' attitude and behaviour play a key role in organizational performance. For this researcher considered different factors such as employee engagement, satisfaction and retention on which training and development shows a positive impact.

Compensation plays an important role in motivation and performance of employees. Organizations can ensure a unified approach to success by deliberately developing and implementing comprehensive pay systems that integrate individual employee ambitions with more general company objectives. India Technology Industry Compensation Benchmarking Survey Findings: 2025 provides recent compensation and trends for IT sector. As impact of compensation is studied in various sectors also such as Darma & Supriyanto (2017) studied the impact of compensation structure on employee's performance mediating employee's satisfaction. Researcher concluded that compensation impacts positively on the performance of the service sector employees. Alwaki (2018) conducted research on impact of remuneration on attitude of employees and organizational performance. Study conducted with data collected from Saudi Arabia and researcher concluded that remuneration shows a positive impact on employee's performance but impacting their attitude towards job.

Kadir, AlHosani & Fadillah (2019) studied the relation between compensation and employee's performance. The study conducted in a college which revealed that there is a positive relation between compensation and performances. Candradewi & Dewi (2019) also researched relation between compensation and performance of an employee in a service sector considering motivation as a mediating factor. Author concluded that compensation and motivation is positively correlated with performance. Motivation mediates the relation of compensation and performance. Gunawan & Gunawan (2019) performed the same research in telecom industry and concluded that compensation influence performance positively having mediating impact of job satisfaction.

Akuffo-Aduamah (2025) in the research showed theoretical frame work such as Expectancy theory, Equity theory and goal setting theory lead to a fair and transparent compensation structure which includes both base and performance-based pay structure and other indirect components which lead to a motivated and a result oriented high performing work force. Jahnavi, Reddy, Chandrika, Sireesha, Kumar, Kumari (2026) researched in IT organizations in Bengaluru and revealed that organizations must develop transparent intensive programs and fringe benefits that help employers to retain satisfied employees. Organizations should practically develop sustainable HR policies for Knowledge based economy of India.

As the scenario has changed a lot moving from working at physical location to hybrid model after COVID-19 and a major shift in generation moving from millennial to Gen-Z. Studied are done previously regarding individual impact of training and development & compensation related in IT organization on managerial level. This study analysis both the factors on employee's attitude and performance on the job. As the study done in Bengaluru IT sector helped to analyse compensation impact on IT sector, this study will help to analyse Delhi NCR.

#### **OBJECTIVE OF RESEARCH:**

1. To analyse the influence of training and development policies on employee attitude and performance
2. To study the impact of employee's compensation and benefit packages on employee's performance and attitude

#### **HYPOTHESIS OF THE RESEARCH:**

**H1:** A positive Impact of Training and development on employee's attitude.

**H2:** A positive Impact of Compensation and benefit on employee's attitude.

**H3:** A positive Impact of Training and development on employee's performance

**H4:** A positive Impact of Compensation and benefit on employee's performance

#### **Research Design:**

Here Descriptive and analytical design is used to study.

**Sampling unit and Sampling Technique used:**

Sampling unit for this research is IT professionals at different levels working in Delhi NCR region. For data collection we used non probability convenience sampling technique.

**Data collection:**

Primary data is collected through questionnaire based on four factors Training and development (Independent), Compensation and Benefit (Independent), Employee’s attitude (Dependent), Employees performance (Dependent) which includes 16 items.

**Scope:**

This research is based on IT working professional in Delhi NCR.

**Data Analysis:**

For data analysis different graphs are prepared and Multiple regression analysis is applied with the help of Jamovi software.

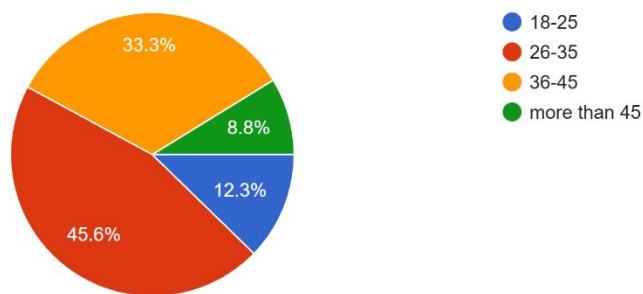
**Description of sample**

**Age:** Mainly response is recorded from 26-35 and 36-45 age brackets.

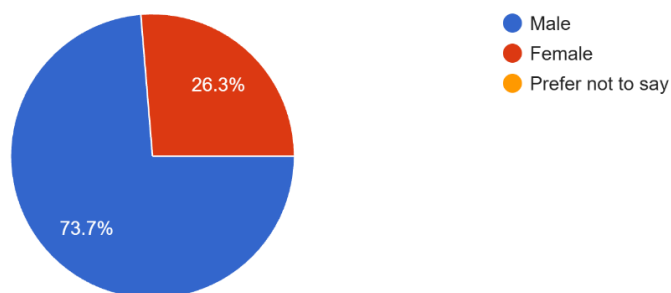
**Gender:** Response in majority from male gender. (73.3%)

**Tenure at the company and Job levels:** Majorly data is concentrated towards employees who are working at middle level management and have 5 years and more experience at work.

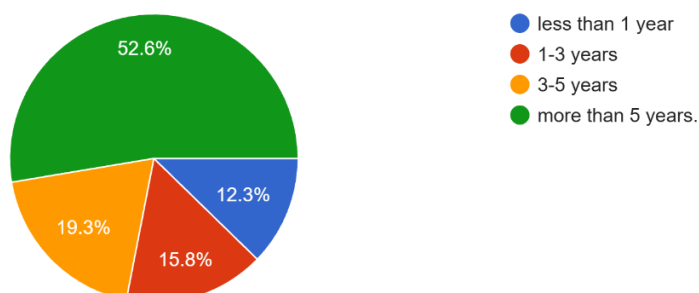
Age  
57 responses



Gender  
57 responses

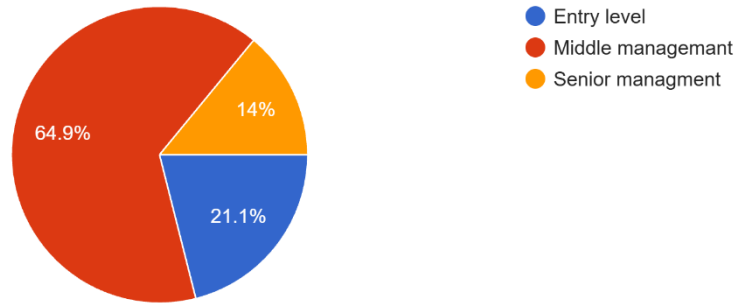


Tenure (Years at company):  
57 responses



Job Level

57 responses



**METHODOLOGY**

This study adopted a quantitative, cross-sectional research design to examine the influence of selected HR policies on employee attitude and employee performance in the IT sector. The study focused on two independent variables, namely Training and Development (TD) and Compensation and Benefits (CB), and two dependent variables, namely Employee Attitude (EA) and Employee Performance (EP).

Primary data were collected through a structured questionnaire administered to IT professionals working at different job levels. The questionnaire followed a 5-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree, and included demographic variables such as age, gender, tenure, and job level along with item-level statements measuring the four constructs.

The Study on Training and Development and Compensation and Benefits were treated as predictor variables, while Employee Attitude and Employee Performance were treated as outcome variables. The questionnaire contained multiple statements for each construct, allowing the calculation of internal consistency and composite relationships among variables.

The sampling frame consisted of IT professionals from the Delhi-NCR region, including employees at entry, middle, and senior management levels. The original study used a non-probability convenience sampling technique, which is appropriate for exploratory organizational research but limits the generalizability of the findings beyond the sampled population.

Data analysis was conducted using standard quantitative techniques suitable for survey-based management research. The analysis included data screening and preparation, reliability analysis using Cronbach’s alpha, descriptive statistics, Pearson correlation analysis, and multiple regression analysis to test the proposed hypotheses concerning the influence of TD and CB on EA and EP.

**RESULTS**

**Reliability Analysis**

Reliability analysis was conducted to assess the internal consistency of the measurement scale. The results indicate that the scales for Training and Development and Compensation and Benefits demonstrated good reliability, while Employee Performance showed acceptable reliability. Employee Attitude recorded a slightly lower alpha value, but it remained usable for exploratory social science analysis with cautious interpretation.

Construct	Number of Items	Cronbach’s Alpha	Interpretation
Training and Development	4	0.80	Good
Compensation and Benefits	4	0.84	Good
Employee Attitude	4	0.67	Marginally acceptable
Employee Performance	4	0.71	Acceptable
Overall Scale	16	0.82	Good overall reliability

These values suggest that the questionnaire items were sufficiently consistent for further statistical analysis, particularly for exploratory research in the HR and management domain.

**Correlation Analysis**

Pearson correlation analysis was used to examine the strength and direction of the relationships among the study variables. The results show that Training and Development had a moderate positive association with Employee Attitude and Employee Performance, while Compensation and Benefits was also positively related to both dependent variables.

Variable	TD	CB	EA	EP
Training and Development (TD)	1.00			
Compensation and Benefits (CB)	-0.01	1.00		
Employee Attitude (EA)	0.47**	0.40**	1.00	
Employee Performance (EP)	0.54**	0.31**	0.41**	1.00

**Note:** Correlation is significant at the 0.01 level (2-tailed).

The correlation matrix indicates that both HR policy dimensions were positively associated with favorable employee outcomes. Training and Development showed the strongest correlation with Employee Performance, whereas both TD and CB displayed meaningful positive relationships with Employee Attitude.

**Regression Analysis and Hypothesis Testing**

Multiple regression analysis was performed to test the proposed hypotheses and to determine the predictive effect of Training and Development and Compensation and Benefits on Employee Attitude and Employee Performance.

**Model 1: Predicting Employee Attitude**

The first regression model examined the influence of TD and CB on Employee Attitude. The model explained 38.3 percent of the variance in Employee Attitude ( $R^2 = 0.383$ ), indicating a moderate explanatory power.

Hypothesis	Path	Beta	t-value	p-value	Decision
H1	TD → EA	0.360	5.99	< 0.001	Supported
H2	CB → EA	0.291	5.05	< 0.001	Supported

The findings reveal that both Training and Development and Compensation and Benefits had a positive and statistically significant effect on Employee Attitude. Therefore, H1 and H2 were supported.

**Model 2: Predicting Employee Performance**

The second regression model assessed the influence of TD and CB on Employee Performance. The model explained 38.5 percent of the variance in Employee Performance ( $R^2 = 0.385$ ), suggesting that the two HR policy variables were meaningful predictors of employee performance outcomes.

Hypothesis	Path	Beta	t-value	p-value	Decision
H3	TD → EP	0.439	6.78	< 0.001	Supported
H4	CB → EP	0.249	4.00	< 0.001	Supported

The results indicate that both predictors had a significant positive effect on Employee Performance. Training and Development emerged as the stronger predictor of performance when compared with Compensation and Benefits. Accordingly, H3 and H4 were supported.

**DISCUSSION**

The findings demonstrate that HR policies play an important role in shaping employee outcomes in the IT sector. In particular, both Training and Development and Compensation and Benefits significantly influenced Employee Attitude as well as Employee Performance, supporting the conceptual model presented in the study.

Training and Development emerged as the stronger predictor of Employee Performance. This suggests that employees in IT organizations perform better when they are provided with relevant training opportunities, skill development support, and clear professional growth pathways. Given the rapidly changing technological environment of the IT sector, continuous learning appears to be an important driver of productivity and work effectiveness.

Compensation and Benefits also showed a significant positive influence, especially on Employee Attitude. This finding implies that employees are more likely to develop positive workplace attitudes when they perceive their salary structure, incentives, and non-financial benefits as fair and supportive. In the context of the IT industry, where attrition and competition for talent remain high, compensation policies can play a major role in commitment, morale, and retention.

Overall, the results suggest that organizations should not view training and compensation as isolated HR practices. Instead, they should adopt an integrated HR strategy in which employee capability development and reward systems jointly strengthen organizational commitment and performance

**CONCLUSIONS**

The study confirms that both Training and Development and Compensation and Benefits significantly affect Employee Attitude and Employee Performance in the IT sector. All four hypotheses were supported, indicating that well-designed HR policies contribute meaningfully to both positive employee perceptions and stronger work outcomes.

From a practical perspective, IT organizations should invest in regular training initiatives, career-oriented development systems, transparent compensation structures, and relevant employee benefits. Such policies can improve employee morale, strengthen loyalty, and enhance performance in a competitive business environment.

The study is subject to certain limitations. Although the present analysis is based on 101 responses, the sample is limited to IT professionals from the Delhi-NCR region and was obtained through convenience sampling, which may restrict the generalizability of the findings to the broader IT sector. Future studies may use larger and more diverse samples, include additional HR variables such as work-life balance or organizational culture, and apply longitudinal designs to capture changes over time.

**RECOMMENDATIONS:**

Based on results some of the recommendations for HR managers in IT sector:

- As Training impacts employee's performance managers should offer more of skill development rather than generic workshops. They should align skills development with career planning, as this was the high scoring concerns in analysis.
- Pay structure should be transparent and easy to understand. HR should properly explain about incentives and bonuses to employees as it is more relates to the development of positive attitude based on the study conducted. It reduces employees' intentions to quit the ob.
- IT is a 24\*7 job which lead to a stressful job. Non cash benefits such as Insurance policies, paid leaves, work from home, gym membership etc can help employees built positive attitude towards their organization instead of just increasing their basic wages.
- A continuous feedback loop should be there so that performance score remains high in middle management.

**LIMITATIONS AND SCOPE OF FUTURE RESEARCH:**

- As constraint of time availability on data of 100 respondents is collected. Future research must aim for at least 500 respondents to generalize finding to the entire population of IT sector.
- It only focused Delhi-NCR. Data can be collected in future from Bangalore Chennai and Mumbai as metropolitan cities.
- Other variables such as work life balance and organizational culture can added as independent variables.

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