

# The correlation between performance appraisal, employee turnover and human resource expenditure in textile and garment industry: a study based on employee performance

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**Abstract:** This article delves into the dynamic relationship between performance evaluation and employee turnover, with a focus on HR spending in the textile and apparel industry. Use descriptive relevant research designs in order to generate important recommendations and important insights. By fostering mentoring and knowledge-sharing programs, they can tap into the valuable wisdom these professionals offer. At the same time, it is vital to highlight gender equality. Fighting for equal opportunities in all aspects of an organization, from hiring to promotion, can bring diverse perspectives and drive overall growth.

A nuanced approach to hiring that values diverse educational backgrounds can be a game changer. By going beyond traditional models and promoting continuous learning, companies can develop a dynamic workforce that is ready for innovation. Moreover, given the critical nature of research and development, expanding investment in these areas can lead to industry-leading innovation.

Employee growth should become key to a company's strategy. Committing to extensive training and career development programs can propel a company to be a pioneer in workforce development. Refined performance appraisal methods, marked by clarity and constructive feedback, can elevate the process. Transparent appraisal methods can also promote trust and collaboration.

Financial incentives have always been a cornerstone of talent retention strategies, so a reassessment is warranted. Ensuring a competitive compensation package is critical to employee retention. Equally important is fostering positive relationships. By investing in team cohesion and conflict resolution, companies can foster a positive organizational culture.

The well-being of employees is of the utmost importance. Introducing stress management measures and ensuring a fair distribution of tasks is a step in the right direction. Leadership needs to be continuously empowered through dedicated training to ensure that adaptive management approaches resonate. Finally, the dynamic business environment requires regular re-evaluation and recalibration of HR protocol flexibility.

The suggestions are aimed at improving HR practices in the textile and garment industry in Shandong province, reducing turnover and optimizing HR allocation.

**Keywords:** performance evaluation; employee turnover; HR expenditure; textile and garment industry; affiliation; gender equality; research and development; employee growth; compensation scheme; organizational culture

## 1 Research Background

The productivity of an organization is one of the most critical factors in determining the level of achievement of that organization. The term "employee performance" refers to the ability of employees to complete the tasks assigned to them in a predetermined amount of time and to meet or exceed the performance standards established by the organization. Employee performance can be affected by a variety of factors, including but not limited to training, leadership style, workload, job satisfaction, and organizational culture.

Training is an important means of improving the overall performance of an organization's employees. Thanks to this benefit, employees can improve their job performance by acquiring new skills, knowledge and abilities. Organizations can improve their

employees' job performance by investing in training programs to improve their skills and knowledge.

Another important factor that may affect employee performance is the type of leader. An employee's motivation and satisfaction with their job can be affected by the management style of the company's supervisor, which can have a positive or negative impact on the employee. The overall performance of employees.

The amount of work an employee is expected to do is another factor that affects performance. In contrast, more manageable workloads can improve job satisfaction and employee performance, while excessive workloads can lead to burnout, job dissatisfaction, and decreased performance. Another important factor affecting employee performance is how satisfied they are with their job. Employees who feel happy at work tend to be more motivated,

engaged, and committed to their work, which ultimately leads to better performance outcomes.

## 2 Problem Statement

The issue of Employee Turnover (ET) is a key issue that organizations constantly face. In this study, researchers aim to study the relationship between rational expenditure (RE), performance evaluation (PA) and ET in human resource management (HRM), and provide an empirical model to prove how the careful allocation of RE in HRM affects PA and ET and the impact of performance on organizational productivity and profitability.

A variety of research findings inspired this study. Omar(2021) identified employee well-being and innovation as important drivers of corporate productivity, suggesting that efficient distribution of renewable energy may reduce ET. Marjulas ET al. (2020) and Ozcan et al. (2020) highlight the importance of funding sources and utilisation in shaping local economic conditions and creating supportive organisational cultures, which may reduce ET.

Health care resource utilization and quality management may influence job satisfaction, productivity, and ET rates. This reinforces the notion that RE in human resource management should consider these aspects to minimize ET. In addition, the need for rational spending in these areas to reduce ET is therefore highlighted.

Influenced by the studies of Liu et al.(2022) and Aslan et al.(2023), researchers aim to examine the effect of prudent resource allocation within organizations on fostering healthy work habits and thereby reducing the impact of ET.

In conclusion, the problem statement of this study is that empirically investigating the significant relationship between RE, PA and ET in HRM will provide a robust model that organizations can use to understand the multifaceted relationship between these variables. The study will provide empirical evidence of these relationships and make actionable recommendations to improve organizational performance and profitability. This effort is important because it explores the intersection of PA, ET, and RE, which are critical to strategic decisions to improve productivity and profitability.

## 3 The goal of the research

The purpose of this study is to explore the relationship between performance appraisal and employee dimission of textile and garment enterprises in Shandong Province and reasonable expenditure of human resource management.

## 4 Significance of the research

The significance of this study lies in its exploration of this relationship between performance appraisal, employee turnover, respondent dependent ariables (RRV), and reasonable spending on human resource management (HRM). Each of these dimensions contributes to a comprehensive understanding of how HRM practices affect overall organizational performance and how rational allocation of resources leads to improved outcomes.

Nepelski et al. (2018) demonstrate that HRM practices can influence organizational citizenship behavior (OCB) and thus overall business performance. Understanding the correlation between performance evaluation and reasonable HRM spending enables organizations to strategically allocate resources to

strengthen performance evaluation systems and, by extension, improve employee performance and organizational outcomes.

High employee turnover can disrupt an organization's operations, resulting in significant financial and non-financial costs. Hooi highlights the positive impact of HRM practices on an organization's ability to learn (OLC), which contributes to a reduction in employee learning (OLC), which contributes to a reduction in employee turnover. These insights highlight the potential for reasonable HRM spending to positively impact employee turnover rates, contributing to organizational stability and enhanced performance.

Tumelero et al. (2018) discuss the interplay between HR practices, age, employee well-being, and performance. Hanifah et al. (2019) highlight the applicability of HRM practices across various organization types and the role of sustainability in HRM. In addition, Muqaddim proposes a positive correlation between electronic human resource management (E-HRM) practices and operational efficiency. These findings highlight the importance of considering RRV in rational HRM spending to improve productivity, well-being and operational efficiency.

In conclusion, the significance of this study lies in a comprehensive exploration of the relationship between performance appraisal, employee turnover, RRV, and reasonable HRM expenditure. It contributes to the field by providing valuable insights to inform HRM practice and strategic decision making. By understanding these relationships, organizations can strategically allocate HRM resources to improve performance evaluation systems, reduce turnover rates, and address interviewer-related variables. This, in turn, can improve productivity, operational efficiency, and overall organizational performance.

## 5 Method

This chapter describes the various methods and procedures for conducting this research. Specifically, it includes study design, population and sample, and study language environment.

### 5.1 Research Design

Both the sample and the general population are important components of the study design. The term "population" refers to the population to which the study results are generalized. A sample, on the other hand, is a representative cross-section of the population selected to participate in a survey. The selection of the sample is crucial because it affects the representative level of the results.

In this survey, quantitative research methods were used to investigate the relationship between training, leadership style, workload, employee satisfaction and employee performance in the context of a Chinese organization. A cross-section of representative employees working in different economic sectors in China was collected using the survey methodology.

The researchers considered the respondents' criteria in two ways:

1. They must be permanent employees who have worked for more than one year;
2. Have participated in the company's internal training or external training within 6 months before the survey.

### 5.2 Population and Sample

In this study, the population consisted of all workers employed in China, and a random sampling strategy was used to

select the sample. Employees who had been with their respective organizations for at least 6 months and had received training in the previous year were considered to meet the inclusion criteria for this study.

Data was collected through a self-administered questionnaire that included questions based on Likert scales to measure relevant variables of interest. The questionnaire was provided to participants through an online survey platform and an email invitation.

To analyze the data, descriptive statistics were used to compile summaries of demographic aspects of the sample. A survey... To investigate the existence of a link between the nature variables, the researchers used the Pearson correlation coefficient. To test the hypothesis and determine A multiple regression analysis was performed to determine the significance of the relationship existing between the variables. Because they guarantee the validity and reliability of the study, the research.

Design, population, and sample selection are essential components of the methodology chapter. Research objectives are achieved and research questions are solved when appropriate data collection and analysis methods are used.

Using the Cochran sample size determination formula, 385 respondents were considered in this study, taking into account 7,080 employees of five textile companies in Shandong Province, China.

### 5.3 Researching the language environment

There are about 50 textile clusters in China. Five provinces - Guangdong, Shandong, Zhejiang, Fujian and Jiangsu - account for 70 percent of the country's total textile output. This study takes China's Shandong textile and garment enterprises as the research object.

#### 5.3.1 Method or procedure

Study design: Quantitative research design was adopted in this study. Quantitative research is a technique of measurement and analysis

Phenomena using numerical data. This study design is valid for testing hypotheses and analyzing correlations between variables. It requires collection Collect data through surveys or experiments and analyze the data using statistical methods.

Population and sample: The population of this study includes all Chinese employees from different industries.

Research location: China is the research location of this project. China is a country with a large population and a diverse workforce in many industries. To ensure a broad sample, the study focused on people from different industries and regions in China.

Method or process The method or procedure for this study includes the following steps:

1. Conduct a literature review to identify relevant factors and conceptual frameworks to guide the research.
2. Create a questionnaire that includes characteristics such as training, leadership style, workload, job satisfaction and employee performance.
3. Conduct a questionnaire survey on a representative sample of Chinese employees from different industries.

Statistical tools such as SPSS or R were used to collect and analyze the data.

Use data analysis techniques, such as descriptive statistics, correlation analysis, and regression analysis, to evaluate hypotheses. Analyze the results and draw conclusions from the findings.

Overall, the methodology for this study included quantitative

study design, stratified random sampling methods for sample selection, and data collection using questionnaires. The study was conducted in China and included data analysis and interpretation of the findings based on statistical software.

## 6 Conclusions and recommendations

This chapter Outlines the main findings of the study and the conclusions and recommendations derived from it.

### 6.1 Conclusion

#### 6.1.1 When summarizing the results of the research on the performance evaluation

of Shandong Textile and Garment Company in China, the respondents had a clear consensus on the evaluation method adopted. Each dimension in the study - development, reward, rating, planning and monitoring - resonated with the participants, as indicated by the scores on all dimensions in "consent." The prominence of the "developing" dimension suggests that respondents attach particular importance to the developmental aspects of the assessment process. At the same time, a slightly lower emphasis was placed on "monitoring", suggesting areas of potential for further strengthening. Thus, it can be concluded that the evaluation mechanisms of these textile and apparel companies are largely positive, indicating a supportive performance evaluation environment that is consistent with respondents' perceptions and expectations.

#### 6.1.2 In the textile and garment industry in Shandong Province, China

understanding the factors that influence employee turnover is crucial to promote the growth and sustainability of the organization. The findings provide compelling insights into these determining factors. First, pay is a major factor in employee turnover sentiment. This highlights the important role of competitive and fair pay in retaining employees in the sector. This is closely followed by the intrinsic nature of peer relationships and job content, suggesting that interpersonal dynamics and the nature of job roles are crucial in employee retention decisions.

#### 6.1.3 An evaluation of reasonable expenditure on human resource management

of textile and garment enterprises in Shandong Province, China, reveals a strategic approach in their operations. The emphasis on "recruitment and employment" shows that the industry is keen to hire the right level of talent to ensure a solid foundation for its operations. Similarly, the focus on "compensation and benefits management/administration" shows the importance these companies place on their current employees and aim to maintain a satisfied and motivated workforce. While some areas, such as "payroll processing" and "Training and development," rank slightly lower, they are by no means neglected. The overall consensus among respondents highlights that the industry is taking calculated steps to align its HR practices with business objectives. This alignment ensures not only the well-being of employees, but also their operational longevity and competitiveness in a dynamic market environment.

#### 6.1.4 Although leadership and external environmental factors rank low, they are still

critical. Leadership training programs can be introduced

to ensure that effective management styles are practiced, and understanding the broader external environment, including industry trends and market dynamics, will help companies remain adaptable and resilient.

Adopting these suggestions can not only solve pressing issues related to personnel mobility, but also pave the way for a more motivated, cohesive and productive workforce in Shandong's textile and garment industry.

While "salary and benefit management/administration" has received significant attention, it is vital that these products are constantly benchmarked against industry standards and changing workforce expectations. Regular surveys and feedback mechanisms can help inform employee satisfaction and needs, ensuring that the company remains competitive as an employer.

The "payroll processing" and "Training and development" areas, despite their low rankings, are critical to operational success and employee growth. Investing in advanced payroll software not only increases efficiency, but also reduces errors. In addition, a sustained emphasis on upskilling and retraining, especially in such a dynamic industry as textiles and apparel, will foster a culture of continuous learning, drive innovation, and prepare for the challenges ahead.

## 6.2 Suggestions

Based on the results of the analysis of the impact of various aspects of human resources management on the recruitment and hiring process, a number of recommendations can be made to improve the effectiveness of human resources practices within organizations.

First, organizations should recognize the Paramount importance of the recruitment and hiring process as an independent dimension of human resource management. The analysis shows that this dimension mainly affects itself, which means that a focused approach to improving and optimizing recruitment and hiring practices is critical. This includes the use of data-driven methodological techniques, streamlining processes, and the integration of innovative technologies to attract and retain top talent.

Second, while other HR management dimensions such as employee relations, compensation and benefits management/administration, payroll processing, training and development, and strategic human capital management operations may not directly impact recruitment and hiring, they are still important aspects of overall HR management. Organizations should continue to invest in these aspects to ensure a comprehensive and effective HR strategy. This includes fostering positive employee relations, designing competitive compensation packages, ensuring accurate payroll processing, and providing ongoing training and development opportunities to enhance employees' skills and capabilities.

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Based on the relevant findings of the "Monitoring reasonable spending of Human Resource Management" dimension, the following suggestions can be made to help organizations improve their HR process monitoring:

First, organizations should recognize that effective monitoring is essential to ensure the transparency and efficiency of HR processes. While the variables analyzed in this study have limited direct impact on monitoring, it is critical to invest in dedicated HR monitoring tools and systems. These systems can provide real-time data and analytics that enable organizations to track key HR metrics, identify trends, and make data-driven decisions.

Second, payroll processing emerges as a potentially important dimension impacting monitoring. Organizations should prioritize the accuracy and efficiency of payroll processing. Implementing an automated payroll system and conducting regular audits can help minimize errors and ensure compliance with labor laws and regulations. By maintaining a robust payroll process, an organization can enhance its monitoring capabilities.

Efficient payroll processing ensures timely and accurate paychecks,

while training and development programs are critical to upskilling the workforce. In addition, strategic human capital management should align human resource practices with organizational goals.

Organizations should strategically focus on optimizing their recruitment and hiring processes while also maintaining a holistic approach to HR management. By continuously strengthening employee relations, compensation and benefits management/administration, payroll processing, training and development, and strategic human capital management operations, organizations can ensure a comprehensive HR resource allocation strategy to support development effectively. Regular internal evaluations and a flexible resource allocation strategy are key to the long-term success of this endeavor.

Textile and garment enterprises should prioritize investment in training and development projects. Research shows that training and development have a significant positive impact on reducing employee turnover. Therefore, organizations should allocate resources to provide employees with opportunities for skill development, career development and continuous learning. This not only increases employee satisfaction, but also contributes to their long-term commitment to the company.

Finally, HR departments should continue to emphasize fair compensation and benefits management and administration. While it is true that the study did not find significant differences in employee perceptions, it is critical for organizations to maintain transparent and fair pay structures to attract and retain talent.

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