A Study on Employee Retention in Education Sector in India (with special reference to Noida Region)

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Abstract

The research paper is an attempt to understand and find the opinion and attitudes of the various categories of employees of the Institute of Management Studies (Noida), Asian Business School (Noida), Jaipuria Institute of Management, Noida towards the employee retention in the institution. It is also essential to find out the factors which contribute to the retention of employees. This study was however limited to one of the departments i.e management department of a few private colleges. This study emphasizes on employee practices and retention factors like compensation and benefits, employee engagement, performance management, retention measures, and career development, hence; requiring an extensive review and modification of many administrative procedures. The data was collected through well-structured questionnaires which contains closed end question. This survey was carried out in education institutions. The research design used for this study is descriptive in nature. The descriptive study helps the researcher to find out various characteristics of the population. Random sampling technique was adopted for selecting sample units from the employees. The methods of data collection for the study include both primary and secondary data. The primary data were collected through questionnaire by conducting personal interview with the employees. The source of secondary data were the websites. A sample of 50 employees in each institution total 150 samples helped to analyse their satisfaction level towards the institutions and provide valuable suggestions. The statistical tool used for analyzing and interpreting the opinions of the employees is simple percentage analysis and hypothesis testing (chi square test and weighted average). The results were presented with the help of different charts and diagrams. Findings of the study were drawn from the analyzing of data’s, suggestions and conclusions have been made based on the findings.

Introduction

Employee retention means that the organization has the potential to retain its employees. Employee retention can be represented by a simple statisticlike, a retention rate of 80% indicates that an organization kept 80% of its employees in a given period. Its a process in which the employees are encouraged to have long term bonding with the. Employee retention is beneficial for the organization as well as the employee. Employees have good opportunities in hand therefore when they feel dissatisfied with the current employer or the job, they switch over to the next job. It is the responsibility of the employer to retain their best employees. Retention involves major things like: Compensation, Support, Relationship, Environment, Growth and more Effective employee retention is a systematic effort by employers to create and foster an environment that encourages the employees to remain employed by following policies and practices. A strong retention strategy is a powerful recruitment tool. Retention of key employees is critical to the long-term health and success of any organization. It is a known fact that retaining your best employees ensures customer satisfaction, increased product sales, satisfied colleagues and reporting staff, effective succession planning and deeply imbedded organizational knowledge and learning. Hence failing to retain key employee is a costly proposition for an organization. It has been explored that that losing an employee which is an asset to the organisation costs up to five times of his salary. Intelligent employers always realize the importance of retaining the best talent. Retaining talent has never been so important in the Indian scenario; however, things have changed in recent years.

Need of the study

Employees are the asset for the organization. Employee Retention means that a company uses the methods to make employees stay with the company for a long time period. Employee turnover is a costly affair for an organization. Finding suitable replacements for key employees is difficult. Lower employee turnover leads to outstanding performance of an organization. Hiring is a complicated process. It has been observed that individuals sticking to an organization for a longer span are more loyal towards the management and the organization. There it is very essential to find out that why employee retention is so important in education sector.

Objectives of The Study

Primary - To study about the employee retention in education sector
Secondary
- To find out the problems of the employee in education sector.
- To find out the effect of job satisfaction and working conditions on employee retention.
- To find out the influence of the following factors on employee retention.
  a) Career opportunities, b) Superior support, c) Rewards and recognition.

Scope of The Study

The research will be very helpful in attracting and retaining the employees who are talented, innovative and dedicated to excellence with respect to the response from the executives. If an organization manages people well, employee retention will take care of itself. Organization should focus on managing the work environment to make better use of the available human assets. Employees will consider themselves as the part of the organisation and feel motivated and happy to be part of the organisation.

Limitations of The Study

- The time factor acted as a considerable limit in the study.
- The information provided by respondents may not be fully accurate due to unavoidable biases.
- Since this is a one person survey, the number of respondents is relatively small for this kind of study.
- The technique for collecting the data is convenience sampling.
due to monetary and manpower constraints.

Review of Literature

- Previous research shows that a good recruitment strategy is the key to employee retention (Hascall, Hopkins and Hollman 1995). The recruit must be given realistic job preview as unclear and unrealistic expectations lead to employee turnover. Organizational culture is quite crucial to employee retention.
- According to Brown (1969), Kidron, (1978), Steers, (1997), organizational fit concept identifies confluent goals and recognized the employee and organization value as an important aspect of affective commitment.
- Fishbein and Ajzen’s (1975) attest the theory of reasoned action as the heart retention of both the employee and the customer links between satisfaction and behavior.
- Employees who are satisfied have higher intentions of persisting with their organization, which results in decreased turnover rate (Mobley et al., 1979).
- Studies have indicated that retention driven by several key factors, which ought to be managed congruently: organizational culture, strategy, pay and benefits philosophy, and career development systems (Fitzenz 1990).
- If a person is not satisfied by the job he’s doing, he may switch over to some other more suitable job. In today’s environment it becomes very important for organizations to retain their employees. The reason may be personal or professional (Fombrun, &Shanley, 1990).
- Fitz-enz (1990) recognized that only one factor is not responsible in management of employee’s retention, but there is several factors influenced in employee’s retention which need to manage congruently i.e. compensation & rewards, job security, training & developments, supervisor support culture, work environment and organization justice etc. Accordingly, organization utilizes extensive range of human resource management factors influence in employee commitment and retention (Stein, 2000; Beck, 2001; Clarke, 2001; Parker and Wright, 2001).
- Morgan and Hunt (1994) research on marketing channel, which shows that organizations often look beyond the concept of satisfaction to developing trust and ensure long term relationships with their employees. Further, this suggestion is based on the principle that once trust is built into a relationship, the probability of either party ending the relationship decreases because of high termination costs.
- Heskett et al. (1994) and Schneider and Bowen (1999) suggested that, in some cases, service suppliers may be unable to retain even those employees who are satisfied. Thus, satisfaction itself may not be sufficient enough to ensure long-term workers commitment to an organization.

Data Collection

The study is Descriptive in nature

Primary Data Collection:
The primary data are those, which are collected a fresh and original in character. It has been through questionnaire surveys, personal interview, telephone etc

Secondary Data
The secondary data on the other hand are those which have already been collected by someone else and which have already been passed through the statistical process. The researcher has collected the secondary data collection. The researcher has collected the secondary data from the institute records, internet, previous project reports etc.

Research Instrument

Questionnaire is the instrument used in this study. The main advantage of this is that they are easy to complete and easy to analyse.

Sample Size
It is the process of selecting representative subset of a total population for obtaining data for the study of the whole population the subset is known as sample. The sample size is 150 in this study.

Statistical Tools

The researcher has used mainly statistical tools to analysis the data and draw interpretation. Chi-Square Test The Chi-Square test is an important test amongst several tests of significance developed by statisticians. Chi-square, symbolically written as X2 , is a statistical measure used in the context of sample analysis for comparing a variance to a theoretical variance. As a non-parametric test, it “can be used to determine if categorical data shows dependency or the two classifications are independent. It can also be used to make comparisons between theoretical populations and actual data when categories are used”. Thus, the Chi-Square test is applicable in large number of problems.

The test is, in fact, a technique through use of which, it is possible for all the researchers to:
- Test the goodness of fit;
- Test the significance, the investigator runs the risk that in the long run, he makes wrong decision about 5% of the time. Weighted Average Method:
The weighted mean is similar to an arithmetic mean (the most common type of average), where instead of each of the data points contributing equally to the final average, some data points contribute more than others. The notion of weighted mean plays a role in descriptive and also occurs in a more general form in several other areas of mathematics.

Result
- 73 % of the employees agree that transport facility is provided by the institution.
- 58% of the respondents are female ● 34% of the respondents are males - 21-30 years ● 50% of the employees have 2 – 6 years of experience ● 53% of the employees are earning 10,000 -20,000 ● 43% of the respondents prefer improvement in position in new job ● 70% of the employees are married ● 66% of the employees have completed PG ● 44 % of the respondents are satisfied with their current job ● 41 % of the respondents are Neutral with quitting the present job ● 53% of the respondents agree with their working condition.e they are satisfied● 93% of the respondents says yes, that appreciation for their co – works and superior is necessary ● 50% of the respondents agree they
feel job security in the institution • 55% of the respondents agree with rewards and recognition for their achievement • 83% of the employees said yes, they are proud and happy employees to work in an education sector.

Discussion
- From the current research, recommendations can be made with regard to clear academic support which, in time, will promote academic growth and the retention of valuable academic staff. This will ensure that the academic leader, as a mentor, takes charge of academic progression
- Job satisfaction can be improved by improving working condition through by the improvement in position and hike in their salary.
- After undergoing the above mentioned literature, the study suggests these plans of action for the quality management education organized with talents and teacher’s excellence.
- Employee retention matters as organizational issues such as training time and investment; lost knowledge; insecure employees and a costly candidate search are involved. Hence failing to retain a key employee is a costly proposition for an organisation. Employees want to know they are being treated fairly and being appreciated by their employers.
- Retention of Key employees is critical to the long term health and success of any organization. It is a known fact that retaining your best employees ensures satisfied colleagues and reporting staff.

Summary
The job satisfaction level and working conditions in the education sector for employee retention are quite good. Career opportunities, Superior support, rewards and recognition are considered to be the most important factors for the job satisfaction level in this sector, which, are quite high.

In this study, we have examined the retention of academics with regard to their views on the factors that keep them with their current employer. The study revealed that job satisfaction, salary, promotion is important among the academics who took part in this study. There are intrinsic, as well as extrinsic, factors that affect the academic retention process.

Amongst other elements, salary disparities were also identified as one of the main reasons causing academics to leave their profession.

This is because the academic staffs see job satisfaction as the most important aspect; job satisfaction was regarded as an intrinsic element that motivates staff to stay within their job. Another element was the fact that academic staff did not have confidence in their academic leaders; this resulted in dissatisfaction in their current job with regard to their growth and development. In support of the intrinsic element, there are also the extrinsic aspects that have an impact, either positively or negatively, on the job environment. Academic staff felt that salaries, academic promotion, and development were the main aspects and with regard to these factors, the respondents felt that their expectations are not met. While academic staff mobility and career progression were the highest priority amongst teaching and research staff, policies and regulations supporting promotions were not clear.

Reference


[28]. Employee Turnover in Organization by Lisa Magloff, Demand Media.


