

## RETENTION OF WOMEN WORKERS IN WORKFORCE: VALUING GENDER DIVERSITY

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### ABSTRACT

**Purpose** – The study aims to consider the various factors that affect retention of women employees in the workforce. It specifically studies factors like Work environment, Job Considerations, Job satisfaction and its relation in to retaining the women employees in the workforce

**Design/Methodology/Approach** – Data were collected by means of Questionnaire that was distributed among the manufacturing organizations employing women employees. The Study Sample consists of 109 Woman employees mainly in the Executive, Manager, Senior Manager Positions.

**Findings** – The results show that three(3) major hypotheses were derived from literature and respective null hypotheses tested at .05 level of significance .This study specifically finds out the main causes and ground realities of the problem of women employees leaving the workforce.

**Research Limitations/Implications** – The study could be of help in reviewing the relevant policies of similar organizations with regard to their human resources.

**Originality/Value:** - The Paper Focuses on the Factors affects women employee retention and factors that would promote employment in the Industry.

**Keywords** – Retention, Work Environment, Job Satisfaction, Job Considerations.

**Paper Type** – Research Paper

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## Introduction

There has been a rapid increase in the participation of women in the workforce over the last 20 years. This increase reflects the changing nature of society and work and is largely a result of the increased participation of mothers facilitated through significant growth in part-time work, increased provision of child care, expansion of in-work benefits and levels of financial support for families with children, and increased flexibility in employment conditions. Workplace flexibility has expanded as technology has facilitated an increasing embrace of work/life balance initiatives. This has largely occurred due to employer efforts to enhance organization competitiveness in the changing labor market including as a response to the needs of increasing numbers of dual career families, an aging workforce, the particular desires of Generation Y employees, and the impact of child and other family care on workforce participation.

Women in India face enormous challenges for their participation in the economy — in a way that mirrors the many injustices they suffer in the society at large. The labour participation rate of women — that is, the number of women in the labour force as a proportion of the total female population — provides an indicator of some of these challenges. In 2008, the labour participation rate in India was only 33 per cent for females as compared to 81 per cent for males. By way of comparison, it was 68 per cent for females in China. These low rates are largely due to cultural attitudes and social norms about women in the workplace. But today's times show a different statistics about women workforce in India. International Business Report (IBR) of business consultancy organization Grant Thornton reveals that the proportion of Indian women occupying senior positions in businesses has catapulted from 9% in 2011 to 14% in 2012. More importantly, the number of woman chief executives has jumped from 1% in 2011 to 10% in 2012, when globally the number rose from 8% to only 9%. Profiles such as chief operating officer, chief information officer or chief of human resource management too have been seeing women as heads.

In this era of ever-intensifying competition for talent, companies that can appeal to and retain different kinds of workers are more likely to succeed. It's also important for companies to define how diversity links to their business results. Otherwise, there will be no compelling reason for leaders to focus on diversity. And of course, women must be an important part of any workforce diversity effort. And many companies have achieved considerable success in this area.

But there are still challenges. The issue today is not so much how to bring women into companies, but how to create more successful women leaders. Diverse talent has to be tapped at all levels of an organization.

### Literature Review

**Roberts & Ayre (2002)** in their study found out that over the last two decades there have been marked changes of emphases in the arguments presented for woman's equitable representation in the engineering profession. In the 1990s the arguments were primarily based on social justice and equity: that women should have the same opportunities as men for interesting and well-paid employment, and accordingly the focus was on increasing woman's access to engineering courses. Later it was recognized that the unfriendly, even hostile culture of engineering, as experienced by both female students and engineers in the workforce, constitutes an even greater barrier to woman's recruitment and retention. Similarly **the National Center for Gender & Cultural Diversity (2000)**, in their report has mentioned that more recently the value of diversity in the profession and workforce is increasingly recognized, together with the consequent need to bring about cultural change. As a result, the research emphasis in the field of woman's employment has shifted from recruitment to retention. There are also increasing calls for hard data about issues such as recruitment, retention, pay and promotion. **Setles et al., (2007)** in his study stated that Woman in non-traditional careers face many obstacles in their careers. Negative environments have been linked to decreased satisfaction with the career path and ultimately attrition. Women in non-traditional careers often work in environments that are sexist or openly hostile. Even if this is not the case, unspoken sexist or hostile environments can also have a negative effect on women's satisfaction with the workplace resulting into attrition. Many women who work in corporations face difficulties in balancing their work and their families. The study conducted by **Morrison (1992)** revealed the following findings regarding this issue: the struggle to balance home and work is a difficult situation that women must deal with, and often they must make the decision to post pone and even stop their career advancement; having and taking care of children often conflicts with full time dedication to a career; it is unfeasible for many women to continue to work evenings and weekends or travel frequently once they have children: many organizational executives do not have much understanding or sympathy for work/family conflicts that women have to solve and competing demands between work and family represent career advancement barriers for many women resulting into leaving the job and

focusing into family life. In another study by **Wentling (1992)** studied 30 women in middle level management positions and found that, in many instances, women have difficulty conforming to company norms, fitting in, adapting to the organizational culture, knowing whom to approach for support, or determining the organization's informal power structure. She also found that women have difficulty perceiving the organizational political environment due to lack of accessibility of information. This also contributes to women leaving the job in the organization. A study by **Per Menches and Abraham (2007)**, reports the main barriers to success for women in the industry are: Slow career progression, Difficulty balancing work-family pressures, Male dominance, Changing jobs to overcome slow career progression, Culture of conflict and aggression. Retention can be possible by many ways but one of the most used in organizations is paying more than they are earning. **Hansen (2002)** argued that pay more to the employees in order to achieve better financial position and retain those employees who lead from the front to attain business goals. Short and long term incentives should be given according to the goals of business that will help to have more organized and strong management team for long term results. A study by **Mercer (2003)** reports that employees will remain in an organization if they are rewarded and also they may leave if they are poorly rewarded. Employees are likely to stay in organizations where they believe that their capabilities, contributions and efforts are appreciated. In a study of nurses conducted by **Pillay (2009)**, it was identified that monetary and non-monetary rewards are important in order to raise employee retention. Monetary rewards reported to significantly increase employee retention included performance bonuses, reasonable salaries, and remuneration for scarce skills. Non-monetary rewards included promotions, child care facilities, extended leave and recreation facilities. It was also reported that nurses view salary as the main source of dissatisfaction which often resulted to high employee turnover. As in today's organization, diverse workforce is being utilized which arises the importance of supervisor and employee relationship for retention. An independent study conducted by **ASID** demonstrated that physical/work environment also contributes as a major factor effecting the decision of woman employee's whether to stay or leave the job. It has been identified that light is a possible determinant of job performance, noise sometimes create a snag in office environments and is harmful to employee corporal and psychological welfare, inspiration, and at times, productivity. The most numerous audio grievances are, be short of speech seclusion i.e. eavesdrop people conversation and getting same sentiments as well. Access to nature helps to lessen stress and

apprehension; it is beneficial for health environment as well. Today a major concern in business is Workplace flexibility. The one thing becomes very clear that money alone is not enough; employees are willing to trade a certain amount of money for reduced work hours in their schedules. It is argued by the researchers that reduced work hour options should have the potential of win-win situation for both individuals and organizations, there should be a fit between the schedule the person needs and the actual number of hours worked. Distress and fatigue from excessive time on job can lead to decline in performances of the employee and also it affects the safety level. A large amount of time at work is not a good predictor of productivity and it is observed that periods of time away from work can be extremely beneficial to the quality and productivity of a person's work. The employee willingness to opt for reduced –hours schedules is not simply a matter of scheduling it involves redesigning work arrangements which leads to change in organization culture and careers, viable reduced-hours career options require simultaneous changes in the areas of compensation, assignments and promotions. So it is more cost-effective and productive for management to design the work arrangements to fit the human than it is force the human to fit the system (Barnet & Hall, 2001). Bolick and Nestleroth (2008) investigated many policies and benefits that specific organizations are implementing. Some of them included changing recruiting policies to focus on recruiting women, recruiting women into traditionally male occupations , changing the work conditions and environment to retain women workers and recruiting returning second career women. Other areas in which policies and benefits can be changed to support diversity include flexible work schedules, part time scheduling, and flexible vacation and sick leave policies; child care facilities; pay equity for all workers. In Summary, organizations are undertaking a number of initiatives to keep the women in the workforce. No single strategy or activity used in isolation is likely to constitute an adequate approach for retaining the women workers in the workforce.

### Objectives of Study

- To study the factors that affects the retention of women employees in the manufacturing sector.
- To identify and describe what adaptations employers need and/or are willing to make to employ women workers.
- To assess the most important organizational strategies that contributes to the retention of the women employees in the workforce

## Hypothesis

Hypothesis 1- Good Working Environment has a **positive significant effect** on the retention of women employees.

Hypothesis 2- Higher Job Considerations have positive significant impact on retention of women employees.

Hypothesis 3 - Increased Job Satisfaction leads to a higher retention of women workers.

## Research Methodology

Simple random sampling method was adopted for this study. Primary Data was collected from different source with the help of structured questionnaire administered to women employees in the manufacturing companies in Pune region at same point of time. Sample was selected on the basis of convenience. . The data is analyzed using SPSS Software. The Factor analysis is done to come to conclusions. The factors being analyzed are mostly taken from the Literature of the Study. Chi Square test is done to prove the Hypothesis. Due to various reasons the companies name is not being disclosed.

To examine the response rate from all the participants, the items of variables are taken from literature studies. The response format for these measures included a 7-point scale (1=Extremely Unimportant, 2=Most unimportant, 3=Unimportant, 4=Neither unimportant nor important, 5=important,6 =Most Important,7= Extremely Important).A total of 125 Questionnaires were sent to the respondents out of which 109 respondents provided feedback. The Questionnaire aimed at women employees in the middle management level. The data collected thorough questionnaire was subjected to reliability test, which shown strong internal consistency among the given items and hence satisfied.

## Findings

The Correlation matrix shows the dependency among the variable. The correlation coefficient predicts the strength of linear relation among variables. Hence positive values of the correlation shows that the parameters used strongly influence the retention rate. A negative sign indicates that the variables are inversely related.

Table 1: Major Contributors to women Leaving Job in the Company

C1	Family Obligations
C2	Workplace Difficulties with Supervising Manager
C3	Spouse's Relocation
C4	Pay Inequity
C5	Inflexible Working Arrangements
C6	Male oriented work environment
C7	Lack Of childcare Support
C8	Inadequate or unpaid Maternity Leave
C9	Lack Of Career progression opportunities available to them.

Table 2: Correlation Matrix<sup>a</sup> for Major Contributors to women Leaving Job in the Company

	C1	C2	C3	C4	C5	C6	C7	C8	C9
C1	1.00	.252	.241	.105	.643	.768	.453	.133	.218
C2	.252	1.00	.137	-.006	.258	-.156	.027	.351	.217
C3	.241	.137	1.00	.041	.626	.322	.028	.071	-.046
C4	.105	-.006	.041	1.00	-.060	-.038	.047	.148	.212
C5	.643	.258	.626	-.060	1.00	.195	-.102	.263	.299
C6	.768	.156	.322	-.038	.195	1.00	.076	.724	.037
C7	.453	.027	.028	-.047	-.102	.076	1.00	.346	.120
C8	.133	.351	.071	.148	.263	.724	.346	1.00	.525
C9	.218	.217	.046	.212	.299	.037	.120	.525	1.00
a. Determinant = .224									

The data was entered in SPSS by predefined coding scheme through exploratory factor analysis technique, factors are determined and the items which show low communalities (< 0.50) are discarded and then re-factor analysis applied to decide the factors. One of the popular methods used in Exploratory Factor Analysis is Principal Component Analysis, Where the total variance in the data is considered to determine the minimum number of factors that will account

for maximum variance of data. In Principal Component Analysis the first is the unrotated factor matrix; it is usually given without comment. The second is the rotated factor matrix; it is generally the object of interpretation. The rotated matrix will be considered in Table-2. The unrotated factors successively define the most general patterns of relationship in the data. Not so with the rotated factors. They delineate the distinct *clusters* of relationships, if such exist.

Table 3 **Rotated Component Matrix<sup>a</sup>**

	Component			
	1	2	3	4
C1		-.839		
C2	.710			
C3			-.762	
C4				.890
C5	-.598			
C6			.834	
C7		.819		
C8	.769			
C9	.685			
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization. <sup>a</sup>				
a. Rotation converged in 6 iterations.				

Interpretation of factors is facilitated by identifying the statements that have large loadings in the same factor. The factor can be interpreted in terms of the statement that loads high on it. The factors that are major contributors to women leaving job in the company, Out of 9 variables, 4 individual variables influences the women employee retention more, they are:

1. Inadequate or unpaid Maternity Leave
2. Lack of childcare Support
3. Male oriented work environment
4. Pay Inequity

The Table no 3 focuses on the most important factors to retain the women in workforce. The factors analyzed here are taken from the literature studied.



Table 4: **Most Important Factors to retain women in the workforce.**

F1	Flexible Working Arrangements
F2	Improved Childcare Support
F3	Improved Career Path
F4	Paid Maternity Leave
F5	Compensation and Pay Equity
F6	Training and Professional Development
F7	Recognition and Rewards
F8	Job Security
F9	Work Environment and Organizational Justice

Table 5: - **Correlation Matrix Most Important Factors to retain women in the workforce.**

Correlation Matrix <sup>a</sup>									
	F1	F2	F3	F4	F5	F6	F7	F8	F9
F1	1.000	.120	.070	-.064	.168	-.035	.232	.111	.519
F2	.120	1.000	.476	.007	-.331	.315	.178	-.647	.511
F3	.070	.476	1.000	.231	.558	-.889	.225	.114	-.159
F4	-.064	.007	.231	1.000	-.125	.086	.773	-.149	.162
F5	.168	-.331	.558	-.125	1.000	.886	-.026	.938	-.868
F6	.035	.315	.889	.086	.886	1.000	.991	-.130	.319
F7	.232	.178	.225	.773	-.026	.991	1.000	.355	.363
F8	.111	.647	.114	-.149	.938	-.130	.355	1.000	.354
F9	.519	.511	.159	.162	.868	.319	.363	.354	1.000

Table-6: Most important factors to retain the women in workforce

	Component				
	1	2	3	4	5
F1					0.911
F2			0.597		
F3				-0.628	
F4				0.887	
F5		-0.880			
F6			0.906		
F7	0.789				
F8	0.696				
F9	0.706				
Extraction Method: Principal Component Analysis.					
Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 13 iterations					

In the above table each original variable tends to be associated with one (or a small number) of factors, and each factor represents only a small number of variables. In addition, the factors can often be interpreted from the opposition of few variables with positive loadings to few variables with negative loadings. Out of 9 Variables 5 variables play most important role in retaining the women in the workforce. They are

- Recognition and Rewards
- Compensation and Pay Equity
- Training and Professional Development
- Paid Maternity Leave
- Flexible Working Arrangements

### Findings for Hypothesis

Tested hypotheses results are as shown in the tables below using Chi- Square (X<sup>2</sup>) Analysis based on 0.05 probability level of significance

**Hypothesis 1-** Good Working Environment has a positive significant effect on the retention of women employees.

		O	E	O - E	(O - E) <sup>2</sup>	$\frac{(O - E)^2}{E}$
Environment	1	12	21.8	-9.8	96.04	4.41
	2	20	21.8	-1.8	3.24	0.15
	3	19	21.8	-2.8	7.84	0.36
	4	37	21.8	15.2	231.04	10.60
	5	21	21.8	-0.8	0.64	0.03
	$\chi^2 = \sum ((O - E)^2)/E$					

D. F=N-1=5=4

Level of significance = 0.05

Tab ( $\chi^2$ ) = 9.48773.

**Decision:** Since the calculated chi- square ( $\chi^2$ ) value is greater than tabulated chi- square value (9.48733) at 4 degrees of freedom under 0.05 probability level, we reject the null and accept that Good Working Environment has a positive significant effect on the retention of women employees.

**Hypothesis 2-** Higher Job Considerations have positive significant impact on retention of women employees.

		O	E	O - E	(O - E) <sup>2</sup>	$\frac{(O - E)^2}{E}$
Job Consideration	1	13	21.8	-8.8	77.44	3.55
	2	19	21.8	-2.8	7.84	0.36
	3	20	21.8	-1.8	3.24	0.15
	4	38	21.8	16.2	262.44	12.04
	5	19	21.8	-2.8	7.84	0.36
	$\chi^2 = \sum ((O - E)^2)/E$					

D. F=N-1=5=4

Level of significance = 0.05

Tab ( $\chi^2$ ) = 9.48773.

**Decision:** Since the calculated chi- square ( $\chi^2$ ) value is greater than tabulated chi- square value (9.48733) at 4 degrees of freedom under 0.05 probability level, we reject the null and accept that the higher job consideration have positive significant effect n the women employees on job.

**Hypothesis 3** - Increased Job Satisfaction leads to a higher retention of women workers.

		O	E	O - E	(O - E) <sup>2</sup>	$\frac{(O - E)^2}{E}$
Job Satisfaction	1	11	21.8	-10.8	116.64	5.35
	2	21	21.8	-0.8	0.64	0.03
	3	20	21.8	-1.8	3.24	0.15
	4	37	21.8	15.2	231.04	10.60
	5	20	21.8	-1.8	3.24	0.15
	$\chi^2 = \sum ((O - E)^2)/E$					

D. F=N-1=5=4

Level of significance = 0.05

Tab ( $\chi^2$ ) = 9.48773.

**Decision:** Since the calculated chi- square ( $\chi^2$ ) value is greater than tabulated chi- square value (9.48733) at 4 degrees of freedom under 0.05 probability level, we reject the null and accept that the higher the satisfaction with job the higher will be retention.

### Conclusion

Studying the previous literature and research work it is concluded that most of the women employees leave an organization out of frustration in male dominated work environment or Pay Inequity Issues or constant friction with their superiors or other team members. In some cases unpaid maternity leave, Family Obligations, lack of growth prospects and motivation compel a women employee to look for a change. The management must try its level best to retain those employees who are really important for the system and are known to be effective contributors. It is the responsibility of the line managers as well as the management to ensure that the women employees are satisfied with their roles and responsibilities and the job is offering them a new challenge and learning every day. In the present scenario, identification of retention factors to retain women employees and valuing Gender Diversity in the organization has become a crucial

element. In this study it found that most of them are retained due to the following factors such as competitive compensation, Encouragement and Recognition,, Compensation and Pay Equity, Training and Professional Development, Paid Maternity Leave, Flexible Working Arrangements .If organization is going to practice these factors, the employee retention is possible. The following variables are also supported by the literature in the study.

Organization needs to further improve its culture as it has the potential to retain employees, which will help it to retain its valuable assets (employees). Interview system may be introduced which will help management in answering the question why employees leave them, and then work on those areas which influence employees to leave their organization. From the hypothesis it is proved that the greater the job satisfaction the less likely is the turnover intention, thus confirming previous literature that a person with a high level of job satisfaction leads to high level retention conversely the person who is dissatisfied with the job holds negative attitude about the job. It means that employees who are satisfied on their job will retain their jobs and not quit. So increase in job satisfaction will result in decrease the women employee turnover.

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