

**AN EMPIRICAL STUDY OF FACULTY RETENTION
STRATEGIES AND IMPACT ON LENGTH OF SERVICE
AMONG MANAGEMENT INSTITUTIONS IN
BANGALURU**

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Abstract:

This study is conducted among faculties who work in various colleges and universities, to understand, how the retention strategies adopted by the institutions would affect the length of their service. A well structured questionnaire is used for the data collection. The study shows that all factors except work life balance play very important role in length of service of faculties in colleges and universities. The faculties believe that they have a longer stay in the organization due to the good working environment and for providing good training and development. It is found that as the length of service is increasing, the faculties become unhappy with the appraisal system, the recognition and reward system and that the superior support is not an important factor for their stay in the organization.

KEY WORDS: *Retention, length of service, faculty, management institutions, regression, SPSS.*

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1. INTRODUCTION

Employees in management institutions, like in any other organization are the back bone of colleges and universities across the world. Hence it becomes very essential to nurture them and retain them. The top management needs to develop strategies which can satisfy the teachers and their talents which are developed through their stay in the institution. Retention should not be an institutional goal but rather a by-product of improved educational programs and services for students. Retention efforts require the support and involvement of the institution as a whole.

1.1 Factors affecting retention

Cascio (2003) describes retention as initiatives taken by management to keep employees from leaving the organization, such as rewarding employees for performing their job effectively, ensuring employee friendly work environment. Literature surveys conducted by McNee et al (1998) and Döckel (2003) identified the following six critical factors that need to be considered in the retention of high technology employees: compensation (base salary); job characteristics (skill variety and job autonomy); training and development opportunities; supervisor support; career opportunities and work-life policies.

1.2 Importance of employee retention

The process of employee retention will benefit an organization in the following ways:

1. **The cost of turnover:** The cost of faculty turnover adds to the institution's expenses even though it is difficult to fully calculate the cost of turnover such as hiring cost and training cost.
2. **Loss of institution's knowledge:** When an experienced faculty leaves, he/she takes with him valuable knowledge which adds to the loss for the institution.
3. **Interruption of classes:** Most often delivery of classes is disturbed and student performance is affected. When they pass out of the institution they look to be unsatisfied. They in turn spread a bad message about the institution.
4. **Turnover leads to more turnovers:** When a faculty leaves, he/she also makes sure that at least some of the others are also pulled out of the college at a later stage.
5. **Goodwill of the institution:** The goodwill of the institution is maintained when the attrition rates are low. Higher retention rates motivate potential employees to join the organization.
6. **Regaining efficiency:** If a faculty resigns, a good amount of time is lost in hiring a new employee and this also adds to the loss for the institution directly.

2. LITERATURE REVIEW

Definition and Review of Employee Retention

Employee retention refers to policies and practices companies use to prevent valuable employees from leaving their job. It involves taking measures to encourage employees to remain in the organization for the maximum period of time. Hiring knowledgeable people for the job is essential for an employer. But retention is even more important than hiring. This is true as many employers have underestimated costs associated with turnover of key staff (Ahlrichs, 2000).

Other invincible costs and hidden costs such as missed deadlines, loss of organizational knowledge, lower morale, and client's negative perception of organization image may also take place.

This is why retaining top talent has become a primary concern for many organizations today. Meaghan et al. (2002), employees are critical to organization since their values to the organization are not easily replicated. They would be left with an understaffed, less qualified workforce that will directly reduce their competitiveness in that particular industry. (Rappaport, Bancroft, & Okum, 2003).

Most researchers (Bluedorn, 1982; Kalliath and Beck, 2001) have attempted to answer the question of what determines people's intention to quit, unfortunately to date, there has been little consistency in findings. Therefore, there are several reasons why people quit their current job and switch for other organization.

The extend of the job stress, low commitment in the organization; and job dissatisfaction usually result in resignation of employees, (Firth 2007). Lacking of opportunities to learn and self development in the workplace can be the key for employee dissatisfaction which leads to turnover. Other studies also indicated that employees will retain in their organization if he or she has a good relationship with the people he or she is working around with (Clarke 2001).

3. RESEARCH METHODOLOGY

3.1 Objectives of the study

1. To understand factors affecting faculty retention in management institutions.
2. To determine the level of satisfaction among faculties with regard to strategies adopted by institutions.
3. To find the degree of influence of various factors on length of service.

3.2 Hypotheses of the study

H1: Faculty training has significant impact on length of service.

H2: Effective appraisal system has significant impact on length of service.

H3: Employee Compensation makes significant impact on length of service.

H4: Faculty empowerment has significant impact on length of service.

H5: Reward and recognition system has significant impact on length of service.

H6: Work Environment makes significant impact on length of service.

H7: Career planning has significant impact on length of service.

H8: Work life balance has significant impact on length of service.

H9: Superior support makes significant impact on length of service.

3.3 Scope of the study:

The study was conducted among faculties working in management institutions in Bangaluru, which included 92 Assistant professors, 27 Associate professors and 5 professors from unaided, aided and government Management Institutions.

3.4 Method of Data Collection:

Data was collected by primary method using 40 item questionnaire which was designed after consultations and in depth literature review.

3.5 Sampling Design:

The sampling method was Non probability convenience sampling with a sample size of 124 faculties.

3.6 Statistical Tools

Tools such as Descriptive Statistics, mean, standard deviation, correlation, regression and ANOVA were used for the analysis.

3.7 Limitations of the study

Being a working project the study has few limitations.

1. The sample size for the study is relatively small to arrive at these results.
2. The tool with 40 questions becomes too lengthy for a respondent and hence there are apprehensions about the genuineness of the data obtained.
3. Non probability sampling would have affected the results. A probability sampling procedure would have reduced the bias.

4. DATA ANALYSIS

Reliability Analysis:

Cronbach's Alpha	N of Items
0.951	40

Mean and Standard Deviation

	EMP	COMP	T & D	APP	R__R	WE	CAREER	W__L	SUPPORT
Mean	3.02	2.80	2.39	2.9	2.24	2.79	2.72	2.72	2.63
Std. Deviation	.47	.95	.37	.75	.45	.51	.79	1.06	.98

Regression:

R	R Square	Adjusted R Square	Std. Error of the Estimate
.996 ^a	.991	.991	.045

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.209	9	3.023	1467.860	.000
	Residual	.235	114	.002		
	Total	27.444	123			

Dependent Variable: Length_of_service

ANOVA

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.410	.281		5.015	.000
	EMP	.339	.082	.340	4.129	.000
	COMP	.390	.019	.792	20.899	.000
	T & D	.814	.089	.640	9.115	.000
	APP	-.903	.045	-1.442	-20.082	.000
	R__R	-1.342	.056	-1.303	-24.182	.000
	WE	.875	.033	.961	26.723	.000
	CAREER	.265	.033	.446	8.125	.000
	W__L	.038	.025	.087	1.520	.131

	SUPPORT	-.519	.018	-1.086	-29.310	.000
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Dependent Variable: Length_of_service

4. Findings of the study:

1. On a Likert scale of 1 to 5, Appraisal system and Faculty training has a mean of 2.39, Employee Compensation is at 2.8, Faculty empowerment has a mean of 3.02, Reward and recognition has a below average score of 2.24, Work Environment, Work life balance and Career planning have an average of 2.7 and mean for Superior support is 2.63.
2. Linear regression analysis shows that the nine factors put together explain 99.1% of the variations in length of service. Regression coefficient for work life balance is 0.038 and it does not make significant impact on length of service. All other factors are making significant impact on the dependent variable – length of service among faculties.
3. The regression coefficient of WE is 0.875 and for T & D is 0,814. It means faculties who stay for longer period of time in an organization consider work environment and T & D as important factors.
4. The regression coefficient of appraisal system and recognition and reward system are -0.90 and – 1.34 It shows that as the length of service is increasing the faculties become unhappy with the appraisal system and the recognition and reward system.
The superior support is at – 0.519 which means it has negative correlation with length of service.

5. Conclusions and Suggestions:

5.1 Conclusions

1. The most important factors affecting length of service among faculty members are: compensation, empowerment, appraisal system, training and development, reward and recognition, career planning, work environment and superior support.
2. Faculty members believe that they are empowered, compensations paid are satisfactory and also has a good work environment. But with regard to all other factors improvement is expected.
3. The study shows that all factors except work life balance play very important role in length of service of faculties in colleges and universities.

4. It is found that as the length of service is increasing, the faculties become unhappy with the appraisal system, the recognition and reward system and that the superior support is not an important factor for their stay in the organization.
5. Training & development and work environment are the most contributing factors for length of service of faculties in management institutions. Empowerment, career planning and compensation paid to faculties are making relatively lower impact on length of service.

5.2 Suggestions

1. It is very important to retain faculties in Management institutions. Work life balance is generally taken care and hence focus must be on other factors such as Work environment and Training and development.
2. Special attention with regard to the Appraisal system and the Recognition and reward system must be given to faculties with higher work experience.

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