



A STUDY ON IMPACT OF HUMAN RESOURCE PRACTICES ON FACULTY TURNOVER INTENTIONS AND RETENTION IN HEIs AT BANGALORE CITY

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Abstract

Studies pertaining to HRM in India revealed a variety of factors that affect faculty attitude towards their job such as job security, compensation and reward system, training and development, supervisory support, work environment, and job autonomy. The present study posits that these independent variables have impact on dependent variables such as faculty turnover intention and faculty retention. Data collected from 441 faculties used to explore the possible underlying factor structure by using factor analysis. Principle component analysis is carried to determine unexplained factor that influence co variation among multiple observation Human resource practices, Faculty turnover intention and faculty retention.

Key Words: Human Resource Practices, Faculty Turnover Intentions, Faculty Retention, Higher Education Institutions.

Introduction

Though India is third largest in higher education system in the world but still the quality of education that has been imparted is not that encouraging .One of the reason can be ineffective faculty. Ineffectiveness of faculty is due to varied reasons; it is because of high rate of faculty turnover, faculty turnover intentions and improper management of HR. These variables has been taken as base to conduct research, it attempts to know the influence of HR practices on faculty turnover intentions and Faculty Retentions at HEIs. Considering two variable in details, that is faculty turnover intentions: What determines faculty turnover? How can it be managed? Or, what can be done to retain potential faculty? Practically, answers to these questions are highly relevant to the individual who may be thinking about leaving. And about retention, are the institutions are having faculty retention?

Organization as well as the managers experiencing tremendous switching tendency among the employees. Realistically, employee turnover is a serious issue for many organizations; organizational experts view this phenomenon as a persistent problem for the organization (Yin-Fah et al., 2010). This is considered an acute problem due to its detrimental effects on the organization especially when the high performing employees leave the organization. Moreover, excessive turnover is dangerous for the organizations, and it undermines the efficiency and productivity of the organization. Furthermore, in some occasions, it threatens the organization's long term survival (Brereton, Beach, and Cliff, 2003). Therefore, retention of top performing employees has become a big challenge for the employers/organizational managers (Samuel and Chipunza, 2009; Ovadje, 2009). It is sad but true that employers have nothing much to do except the arrangement for hiring and training new employees once the employee has quit as argued by Dalessio, Silverman, and Schuck (1986)In fact, in India Bangalore in particular has decentralized the post graduation coarse resulting in more number of candidates entering in teaching field .As the supply is more, institutions are not thinking of retaining existing faculty at high cost, this resulted in high turnover rate, and their intention to switch over to better institution and poor quality of teaching Therefore, to understand turnover and level of retention phenomenon in broader context, this proposed study is called for research.

With the insufficient full-time faculty, and the increasing recruitment problem make this turnover situation even critical for many private universities. That is why faculty turnover issue becomes a real concern for institutions management. Thus needs more empirical research to identify the causes of faculty turnover in this context. However, this qualitative research will try to make an attempt to clear that the major issue of such a high rate of faculty turnover is the result of poor human resource management practices at the institutions or there may be faulty retention due to varied reason. In many private universities there are no prescribed and defined human resource practices. Further added that the finding needs to be empirically examined to identify the factors contributing to faculty turnover intention & Faculty retention in the context of Bangalore in particular. There is limited research that attempted to examine the relationships between HRM practices and turnover intention & Faculty retention particularly at the private higher education sector in the context of developing countries such as India. The prime thrust of this research is to better understand the concept of faculty turnover intention and faculty retention influence of HR practices on it.

The research will be structured as follows: *First*, briefly review the literature relating to the concept of employee turnover and turnover intention; *second*, empirically examine the relationships between HR practices and turnover intention and faculty retention. Finally, discuss the managerial implications, limitations and conclusion.

Review of Literature

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 staffs (Ahlrichs, 2000). Turnover costs can incurred with issues such as reference checks, security clearance, temporary worker costs, relocation costs, formal training costs and induction expenses (Kotzé and Roodt, 2005). Other invincible costs and hidden costs such as missed deadlines, loss of organizational knowledge, lower morale, and client's negative perception of company image may also take place.

This is why retaining top talent has become a primary concern for many organizations today. Managers have to exert a lot of effort in ensuring the employee's turnover are always low, as they are gaining increasing awareness of which, Meaghan et al. (2002), employees are critical to organization since their values to the organization are not easily replicated. Many critical analysis are conducted to minimize the possible occurrence of shortage of highly skilled employees who possess specific knowledge to perform at high levels, as such event will lead to an unfavorable condition to many organizations who failed to retain these high performers. 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). Abundant studies have also certified the relation between satisfaction and behavioral intentions such as employee's retention and spread the word of mouth (Anderson and Sullivan, 1993). Numerous studies showed how high employees involvement is can relate to the intention of leaving an organization (Arthur 1994). 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). Organizations are therefore suggested to provide team building opportunities, where interaction and discussion can be carried out not only within but outside their working hours (Johns et al 2001).

This is why managers today must taken care of their employees personal feelings toward the job and satisfaction levels from their working conditions, superiors and peers, as these are the keys to ensure employee retention. The success and survivability of organizations is heavily dependent on customer evaluations (Jolliffe & Farnsworth, 2003, p. 312), whereby the organization must put effort in satisfying their employees since the relationship between customer satisfaction and employee's satisfaction are significant. In summary, the literature defines retention as continuing relation between employees and their organization and turnover as "any permanent departure beyond organizational boundaries" (Cascio, 1995, p. 581). The benefits of retention are saving cost for further recruitment, fewer training to be conduct for new candidates, improve productivity, increase employee's performance and thus increase profits and meet their organizational goals and objectives. Below we will discussed the relationship between each of the human resource management practices with employees retention and employees turnover intention, which are the impacts from job security compensation and reward system, training and development, supervisory support, work environment, job autonomy, and faculty turnover intention and faculty retention.

Objectives of the Study

To determine the validity of study variables such as job security compensation and reward system, training and development, supervisory support, work environment, job autonomy, and faculty turnover intention and faculty retention.

Method

Sample and Procedure

Professors, assistant professors and lecturers from the private and aided institutions are considered as faculty members in the study. 500 questionnaires were distributed among faculty of Commerce and Management institutions affiliated to Bangalore University, Karnataka, India. Of these 441 usable questionnaires were returned (a return rate of 88.2%). Faculty members of different colleges took part in the survey. A breakdown of the sample reveals 34.7% of the respondents were male and 65.3% were female. The average experience of the respondents was ranging from 3-8 years.

Instrumentation

Independent Variables: Job Security Compensation And Reward System, Training And Development, Supervisory Support, Work Environment, Job Autonomy.

Dependent Variables: Faculty Turnover Intention and Faculty Retention.

Data Analysis

The data was entered in Microsoft excel 2007 and then transferred to SPSS (16). Validity of the study variable was checked for individual items with the help of factor analysis (principal component analysis, varimax with the Kaiser normalization), factors were extracted and those factors were plotted against faculty turnover intention and faculty retention. And further to check reliability Cronbach's alpha was used.

Results

Validity and reliability of study variables

Factor analysis

The questionnaire was subject to item validation (pattanayak ET all, 2002) through factor analysis to determine the internal structure of the set of 80 items into 11 factors. Factor analysis is a generic name for one multivariate technique used to ascertain the underlying structure of the data matrix (HAIR et all, 1995) the principle component factor analysis is used, as the literature strongly supports 11 factors of faculty turnover intention and faculty retention. The obtained dimensions (table rotated) exactly match with the literature. The percentages of variance extracted by 1 to 11 were 11.717, 22.652, 31.090, 38.835, 46.204, 50.690, 55.122, 59.130, 62.024, 64.713, and 67.167. The rotation converged in iterations to yield 11 factors explaining 67% of total variance.

Table- 1,Factor Analysis on study variables.

Component	Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %
1	5.507	11.717	11.717
2	5.139	10.935	22.652
3	3.966	8.438	31.090
4	3.640	7.745	38.835
5	3.463	7.369	46.204
6	2.108	4.486	50.690
7	2.083	4.432	55.122
8	1.884	4.009	59.130
9	1.360	2.894	62.024
10	1.264	2.689	64.713
11	1.153	2.454	67.167

Factors represent the underlying concepts that cannot be adequately measured by a single variable. Table 1 represents factor analysis on faculty opinion towards the study variables. Factor analysis is carried in an objective to reduce a larger number of variables into manageable smaller factors for further analysis. Principal Component Analysis technique was adopted with varimax rotation. The factorability of 80 items was examined and the items with loadings above 0.5 are considered for reasonable factorability.

To measure the sample adequacy, Kaiser-Meyer-Olkin measure and Bartlett's test of sphericity was adopted. It was found that KMO test value was .922 which is above the recommended value of 0.6, and Bartlett's test of sphericity was significant ($\chi^2=11390.099, p<.000$). Eleven factors were extracted using Eigen values. The factors with Eigen values more than one were extracted. Eleven factors extracted together account for 67% of the total variance and the factors with loading below 0.5 got removed from the factor set. The communalities of all the items were above 0.5, which confirms each item sharing on common variance with other items.

Rotated Component Matrix ^a											
	Component										
	1	2	3	4	5	6	7	8	9	10	11
CR7	.777	.156	.059	.084	.078	.082	.041	.154	.060	-.097	.053
CR6	.772	.086	.068	.123	.077	.071	.015	.092	.034	-.182	.119
CR2	.771	.077	.120	.121	.079	.066	.041	.173	-.109	.145	.006
CR1	.768	.120	.130	.122	.077	.108	.038	.142	-.103	.150	-.047
CR3	.741	.098	.158	.097	.112	.049	-.043	-.054	-.102	.210	-.104
CR8	.696	.197	.076	.079	.016	.084	.103	.204	.128	-.148	-.015

CR5	.640	.063	.061	.217	.095	.036	.020	-.044	-.029	-.028	.221
CR9	.636	.184	.117	.206	.126	.102	.039	.019	.070	-.209	-.056
CR4	.574	.065	.098	.240	.158	.117	-.091	-.154	.080	.085	-.091
SS3	.086	.818	.201	.083	.067	.104	-.006	.049	.069	.061	.026
SS4	.105	.789	.182	.212	.092	.071	.036	.067	.028	.050	-.039
SS2	.059	.763	.192	.129	.026	.162	.035	.044	-.003	.136	-.006
SS5	.170	.754	.247	.180	.159	.101	.008	.019	.035	-.064	-.083
SS7	.200	.728	.177	.123	.192	.144	.089	.038	.011	-.093	-.039
SS10	.209	.723	.215	.052	.187	.098	-.046	.136	-.046	-.064	.067
SS9	.169	.635	.214	.128	.231	.094	.008	.146	-.060	-.159	.177
JA9	.132	.304	.768	.027	.145	.101	-.025	.059	.057	-.044	.018
JA10	.151	.370	.707	.058	.171	.179	-.099	.059	.092	-.129	.040
JA6	.196	.266	.702	.113	.252	.080	.050	.026	-.064	.072	.003
JA2	.085	.178	.626	.070	.054	.287	.097	.116	-.045	.124	.163
JA5	.092	.167	.613	.079	.200	.127	.012	.078	-.177	.165	-.187
JA8	.211	.339	.600	.060	.076	-.031	.160	.013	.065	-.218	.096
JA4	.088	.175	.588	.181	.215	.193	.258	.053	-.173	.163	.040
T_D5	.171	.116	.073	.851	.111	.132	.011	.104	-.008	.081	.045
T_D4	.172	.171	.032	.837	.152	.044	-.011	.049	.002	.037	-.043
T_D7	.235	.138	.115	.781	.117	.057	.083	.092	-.004	-.114	.058
T_D6	.252	.167	.084	.775	-.005	.135	.012	.036	.004	.060	.021
T_D8	.312	.277	.141	.599	.179	-.028	-.027	.100	.055	-.219	.068
FR9	.055	.105	.135	.074	.815	.148	.070	.028	-.043	.035	.018
FR8	.160	.214	.176	.114	.814	.073	-.037	.088	.033	.047	-.017
FR7	.087	.145	.105	.077	.758	.167	.028	-.005	-.012	.095	.011
FR10	.243	.196	.207	.139	.716	.068	-.093	.097	.039	-.061	.004
FR1	.171	.114	.321	.154	.547	.155	-.053	.140	.083	-.088	.248
WE8	.208	.175	.170	.119	.166	.696	.060	.054	.078	-.157	.005
WE9	.199	.155	.248	.037	.197	.682	.035	.063	.097	-.153	-.119
WE10	.099	.308	.303	.177	.245	.582	.035	.100	-.087	.101	.063
WE1	.174	.289	.154	.154	.184	.530	.091	.086	-.064	.071	.147
FT10	.008	.074	.033	-.064	-.059	.036	.836	.120	.048	-.054	.042
FT7	-.066	.034	.106	.152	-.031	.069	.787	-.069	.071	.043	-.024
FT9	.140	-.035	.029	-.031	.057	.019	.732	.070	.032	-.029	-.056
JS8	.045	.148	.091	.013	.043	.136	.018	.816	-.047	.007	-.063
JS9	.155	.181	.041	.089	.062	.043	.122	.693	.294	.022	.076
JS7	.213	.006	.115	.228	.133	.005	.029	.614	-.104	.035	.061
JS5	.087	.035	.013	.035	.075	-.103	.028	-.019	.759	.053	-.095
JS1	-.099	-.003	-.114	-.021	-.051	.155	.110	.066	.680	.023	.077
JS3	-.017	-.018	.082	-.016	.083	-.113	-.035	.052	.093	.819	.110
JS6	.042	.021	.067	.063	.076	.021	-.043	.031	-.021	.111	.884

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

The number of items got reduced from 80 to 11 factors. Nine items CR7, CR6, CR2, CR1, CR3, CR8, CR5, CR9 and CR4 have loadings of 0.777, 0.772, 0.771, 0.768, 0.741, 0.696, 0.64, 0.636 and 0.574 on Factor1. This factor can be interpreted as compensation and reward. Seven items SS3, SS4, SS2, SS5, SS7, SS10 and SS9 have factor loading of 0.818, 0.789, 0.763, 0.754, 0.728, 0.723 and 0.635 on Factor 2 represented as supervisor support. Seven items JA9, JA10, JA6, JA2, JA5, JA8 and JA4 have factor loading of 0.768, 0.707, 0.702, 0.626, 0.613, 0.6 and 0.588 on Factor 3 as Job Autonomy. Five items T_D5, T_D4, T_D7, T_D6 and T_D8 have factor loading of 0.851, 0.837, 0.781, 0.775 and 0.599 on Factor4 as Training and Development. Five items FR9, FR8, FR7, FR10 and FR1 have factor loading of 0.815, 0.814, 0.758, 0.716 and 0.547 on Factor5 as Faculty Retention. Four items WE8, WE9, WE10 and WE1 have factor loading of 0.696, 0.682, 0.582 and 0.53 on Factor 6 as Work Environment. Three items FT10, FT7 and FT9 have factor loadings 0.836, 0.787 and 0.732 on Factor7 as Faculty turnover intention. Three items JS8, JS9 and JS7 have factor loadings 0.816, 0.693 and 0.614 on Factor 8 as Job

security. Two items JS5 and JS1 have factor loading of .759 and 0.680 on Factor 9. Since single items cannot be considered as factors other sets were not considered for further analysis.

Table 2, Table representing Descriptive statistics and Cronbach alpha

Factors	Mean	S.D	No of Statements	Cronbach's Alpha
Job Security	2.94	1.046	3	.656
Compensation and Reward	2.84	0.951	9	.904
Training & Development	3.38	0.911	5	.898
Supervisor Support	3.47	0.851	7	.919
Work Environment	3.49	0.910	4	.783
Job Autonomy	3.66	0.840	7	.880
Faculty Turnover Intentions	3.21	0.953	3	.721
Faculty Retention	3.82	0.775	5	.870

Interpretation

The above table 4.22.1 highlights the mean score and standard deviation of the study variables. It can be inferred from the above table that faculty retention achieved the highest mean score 3.82 followed by job autonomy with mean score 3.66. Work environment, supervisor support, training & development and faculty turnover intention has the mean score as 3.49, 3.47 3.38 and 3.21 respectively. Job security and compensation & rewards have the lowest mean score of all as 2.94 and 2.84 respectively. Standard deviation of the study variables ranges from 0.775 to 1.046. Regarding the reliability of study variables through Cronbach alpha test we can infer that, all the variables has the alpha value greater than 0.70 which are above the threshold value suggested by Nunnally (1978).

Conclusion

The aim of the present paper was to know the relevant factors and also check the reliability and validity of study variables with their items hence the selected items will be taken for the future analysis to draw the conclusion on impact of job security compensation and reward system, training and development, supervisory support, work environment, job autonomy, faculty turnover intention and faculty retention. The result of the study is faculty retention achieved the highest mean score followed by job autonomy, work environment, supervisory support, training and development & faculty turnover intention.

Job security, compensation and reward system has the lowest mean score of all variables.

Regarding reliability of the study variable, the alpha value is >0.70 which are above the threshold value suggested by Nunnally (1978).

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