

## **The Impact of Strategic Human Resource Management on Employees' Retention**

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### **Abstract**

Over the last five years (2009-2014), many faculty members of the private educational institutes have left for various reasons. The problem is that because of a minimum salary packages and less admissions in most of courses. Faculties are switching their job from one to another institute for better opportunity. Operationally this reduction has resulted poor education quality and less syllabus coverage in classes. The main purpose of this paper was to identify that, why faculties were leaving the institute and to suggest the way to improve employee retention.

To find out why faculties were leaving the colleges in last five years. A literature review was conducted to find out the reasons why faculties were leaving the institute. And what type of solution top management trying to retain their employees. For this, the top management conducted the interview/survey to find out why they believed faculties were leaving the department. To identify retention program me within other colleges a survey was conducted with the several institutes.

**Key words:** employee retention, educational sectors, institute, faculty members.

### **INTRODUCTION**

Over the last five years (2009-2014), many faculty members of the private educational institutes have left for various reasons. The problem is that because of a minimum salary packages and less

admissions in most of courses. Faculties are switching their job from one to another institute for better opportunity. Operationally this reduction has resulted poor education quality and less syllabus coverage in classes. The main purpose of this paper was to identify that, why faculties were leaving the institute and to suggest the way to improve employee retention.

To identify/ find out why faculties were leaving the colleges in last five years. a literature review was conducted to find out the reasons why faculties were leaving the institute. And what type of solution top management trying to retain their employees. For this, the top management conducted the interview/survey to find out why they believed faculties were leaving the department. To identify retention program me within other colleges a survey was conducted with the several institutes.

Following were the questions on which we research and evaluate the problems that are:-

1. Why have faculties switch the educational institutes rapidly?
2. In general, why do faculty members leave the jobs they work for?
3. What the top management teams think about the rapid change in their organizational staff?
4. And what type of retention programme is used by other colleges?

### **Material and Methods:**

The literature clearly indicated that there are six keys to retaining personnel. They are;- Recruiting, communications, training, job satisfaction, pay, and benefits.

#### **Recruiting**

The best effort is to retain the employee in organizations starts with recruiting. Employer must be loyal at the time of recruitment about the organizational culture, expectations and belief within the organization.

Inviting and retaining the best faculties in organization are not two different tasks. But are the same thing and these both two factors requires managing a positive image of organization internally and externally. Taylor and Cosenza (1997) strengthen this thought by noting that it is imperative that companies give prospective employees a true picture of the organization, if they

hope to match the personality type with the climate and culture of the organization. Employers must be honest with the recruit about the beliefs, expectations, organizational culture, demands, and opportunities within the organization. By representing the organization realistically, a department will attract those who will be content working within the culture (Marx, 1995). Denton (1992, p.47) follows this up by stating that, “ the better the match between recruits and the organization the more likely you are to retain them.” Lynn (1997) believes that you must take time during the hiring process to make wise decisions. The employer must be candid about the working conditions, responsibilities, opportunities and other details to reduce the Chances of making hiring mistakes

### **Communications**

Lynn (1997) notes that communications must be a two way street to be effective. Employers must listen to what employees have to say. An atmosphere must be created in which employees feel comfortable making suggestions and trying our new ideas. As Denton (1992) points out, managers must make sure employees know what they should do and why it is important. Lack of communication may result in gaps between management’s perceptions of quality employment and the employees desired and perceived quality of employment (Taylor & Cosenza, 1997). There must be a common purpose and trust among employees. People want to feel as if they are a vital piece of something larger (Carney, 1998). Taylor and Cosenza (1997) indicate that it is important to communicate the values of the organization to its employees in order to increase their level of consent, participation, and motivation.

Lynn (1997) echoes this thought by pointing out that the vision of the organization must be shared with the employee as well as the importance the employees play in helping fulfill it. Lynn (1997) follows this up by stating that early on an atmosphere of fairness and openness must be created by clearly laying out company policies. Carney (1998) believes that the key to employee retention is quite simple: communicate, communicate, and communicate. Communication with the employees must begin early on in the relationship. He believes that the imprinting period of a new employee is probably less than two weeks. Employers must engage the employee early on by sharing how important the job they do is.

### **Training**

As was noted earlier it is important that the employee feel like a valued member of the organization. Training helps underscore this message. Training personnel is a way to show you respect them and want them to grow. The department is making an investment in the employee by offering training (Marx, 1995). Good training can de-emphasize salaries and benefits, in part by building a positive work environment and by giving employees advancement opportunities (Lynn, 1997).

Lynn goes on to say that training helps strengthen employee loyalty. Training can help revitalize personnel. For an increasing number of people, the chance to learn new skills is a significant personal goal for both the career opportunities education can provide and for the chance to do something a little different (Mendonsa, 1998).

Training emphasizes to the employee that they are valued and respected. This in turn to increased loyalty and retention.

### **Job Satisfaction**

Departments should encourage innovation by soliciting the advice and input of their staff members, followed by responses to ideas, complaints or questions (Taylor, 1997). It is difficult to keep people on the job if they have no say in how to do it (Spragins, 1992).

While an organization must be competitive in terms of compensation and benefits, it is the relationship with the supervisor that is often a crucial factor in determining whether a person stays or goes (Mendonsa, 1998). Employees want more interaction with management, more self-satisfaction on the job, more responsibility and more control over decisions affecting them. They want their work to make a difference and want to be part of something that matters (Taylor, 1997).

To retain employees, departments must offer career advancement opportunities. Departments failing to offer employees career opportunities, room for advancement and enhancement of skills and knowledge may find it difficult to retain qualified employees (Taylor, 1997). People need to be recognized for their accomplishments in the workplace. In most organizations the feeling of under-recognition is the most pervasive feeling in the workplace (Mendonsa,1998). Provide a great deal of personal and team recognition (Carney, 1998). Recognize achievements with memos, mentions in staff meetings or articles in the newspapers (Lynn, 1997).

Employee involvement, recognition, importance of work, and career advancement opportunities are all important, when dealing with employee retention.

### **Pay and Benefits**

Money may be the reason they give when they resign, but it's like "white noise". They are conscious of it for a while but if they are bored on the job, money alone is not going to keep them there (Branch, 1998).

In general people think that money and benefits or lack thereof, are the main reasons people leave their jobs, but this is not the case. While compensation and benefits may be a key factor in the final decision-making process, a money shortage is usually not what causes people to look in the first place (Mendonsa, 1998).

Although traditional benefits such as vacation and health are still important, today's workers are also looking for more non-traditional benefits. Benefits such as flexible work hours, availability of childcare tuition assistance programs and discounts on services now top the list of desired benefits (Denton, 1992).

The literature clearly indicates while still factors, money and benefits are not as important as job satisfaction in terms of employee retention.

### **Summary**

The purpose of this paper was to identify why personnel were leaving the institutes and to suggest ways to improve employee retention. The literature was helpful in pointing out that employees stay or leave a department based on six key reasons, they were: Poor recruiting practices, communications, training, job satisfaction, pay, and benefits.

## **PROCEDURES**

### **Literature Research Methodology**

The first step in the research process was to locate any books, professional journals, and faculty development program (FDP) research papers that related to the topic of employee retention .It

was also useful to review the reference lists of the FDP papers, which helped locate additional references not identified by the computer.

### **Interview Methodology**

There were three areas addressed by interviews during the research process. The first set of interviews was conducted utilizing the upper management of the Institute. The purpose of these interviews was to seek upper management's opinion on why they believed personnel were leaving the institute. The first step was to simply ask the question, why do you believe faculty members are leaving the organization? This question was sent out over e-mail utilizing the department's computer system. Secondly, follow up interviews were conducted to both clarify and expand on the responses that were returned via e-mail. The personnel that were utilized for these interviews were assistant professor, associate professor and other teaching and non-teaching staff members.

Interviews were also conducted with personnel that had left the department in the past three years. A questionnaire was developed for this process. A copy of the questionnaire can be found in Appendix A. The areas that were identified by the literature review and by the upper management interviews as keys to why personnel leave their jobs were instrumental in the development of this questionnaire.

The first step in this process was to review personnel records to identify personnel that had left in the last five years. Of the twenty-one personnel that had left the department since 2013, six were eliminated from this study because they left due to medical problems. A review of the fifteen exit interviews that were conducted on the personnel that chose to leave produced very little information as to why. As a result nine telephone interviews were conducted between January and February 2014. Each person was asked why they left. They were then asked what effect the work schedule, job satisfaction, training opportunities, promotional opportunities and pay and benefits had on their decision to leave.

Finally, top management of the institutions, were interviewed to find out if there were any retention programs currently in use by other institutes.

### **Limitations**

Due to difficulties locating ex-employees the researcher was only able to interview nine of the fifteen persons that were identified for interviews. This may have an effect on the outcome to the research paper.

The only literature available about retention issues in the institutes dealt with teaching departments. As a result the literature had to be conducted using business books and periodicals. The six-month time constraint also limited the amount of research that could be conducted on the subject. Furthermore, the researcher had to accept, with no way to double check, that all the answers provided by the respondents during the telephone interviews were truthful.

## **RESULTS**

As a result of the research effort, this section presents specific answers to each of the original research questions.

### **Answers to Research Questions**

#### **1. Why have members left the Range Complex Fire Department?**

Nine telephone interviews were conducted in an effort to answer this question. The first question asked was, what was the main reason you left the institute ? Fifty six percent (5 of 9) of the respondents said that the work schedule was the main reason for leaving the department. Time away from families and the family's inability to visit them at work were the main reasons for dissatisfaction with the schedule. Ten percent (1 of 9) said they left because of disappointment with management. "Job security" was the reason why twenty two percent (2 of 9) gave for leaving. The two respondents felt because the contract they work under is re-bid every five years that their jobs were in jeopardy every five years. Some of the respondents had more than one reason for leaving. Fifty six percent (5 of 9) felt that job satisfaction was a contributing factor in their decision to leave.

#### **2. In general, why do employees leave the organizations they work for?**

A review of the literature indicated that there are six key reasons why employees leave their jobs, They are recruiting, communications, training, job satisfaction, pay, and benefits.

Recruiting is the first step in retention. An employer must be honest with the recruit about the organisation's or department's beliefs and culture. The better the match between the recruit and the organization the better the chance for retention (Marx, 1995). Communications must begin early on in the relationship. Management must make it clear to the employee what the values of

the organization are in order to get the employees consent, participation, and motivation (Taylor and Consenza, 1997). One of the keys to effective organizational communications is that it must be a two way street (Lynn, 1997).

Training is the third key to employee retention. According to the literature, training emphasizes to the employee that they are valued and respected and that the company is going to reward them by investing time and money in training them.

The literature indicated that job satisfaction might be the most critical factor in terms of retention.

The four keys to job satisfaction are, employee-management interaction, recognition, job importance and promotional opportunities. Employees want to feel a part of the organization. They want to have some say in how they do their job (Taylor and Consenza, 1997).

The literature clearly points out that the main reasons for retention problems are recruitment, communication, promotional opportunities, job satisfaction, pay, and benefits.

### **3. What does the upper management team of the institute believe are the reasons personnel are leaving the department?**

For this section of the research seven interviews were conducted. The seven persons interviewed were: felt that the long work schedule and job dissatisfaction were the reason employees left.

Lack of upward mobility, the long work week, and dissatisfaction with upper management were the reasons given for retention problems . they felt the work schedule was especially difficult for faculty pointed out that in addition to the work schedule, and limited promotional opportunities that the lack of emergency responses, and boredom, especially for younger faculty was a key to their leaving. He felt that the shorter workweek was an attractive incentive to leave the organization .

A review of the interviews indicate that the in upper management team believe that the work schedule, lack of promotional opportunities, lack of activity (job satisfaction) are the main reasons that employees have left the department.

## **DISCUSSION**

The literature review identified six keys to employee retention they were: recruitment, communications, training, job satisfaction, pay, and benefits. However, interviews with upper management and with past employees of the department identified only five of the six keys as



issues within the department. The issues identified in the interviews were the workweek (recruitment), job satisfaction, and the lack of advancement opportunities and benefits.

Interviews with past employees pointed out that dissatisfaction with the long workweek was the main reason why people leave the organisation. The upper-management also felt that the work schedule was the main reason why faculties left the department. The long workweek is especially difficult for female faculty with young children at home. The long workweek is a fact of life within the colleges and is not likely to change. The issue of the workweek must be addressed during recruitment.

The department must be honest with the recruit about the beliefs, expectations, organizational culture, demands and opportunities within the organization. By representing the organization realistically, the department will attract those who will be content working within the culture (Marx, 1995).

Both the past employee and upper-management interviews indicated that job satisfaction was a factor in employee retention. In both cases the respondents felt that the lack of activity was the cause to the dissatisfaction. This is not an unusual situation especially among the young faculty who want to test their training and skills. As Marx (1995) points out if employees are bored with their job they will not stay. This is another issue that should be addressed during recruitment. Potential employees should be given a clear picture of the type and amount of responses they will encounter when they join the department.

The lack of promotional opportunities was another issue that both sets of interviewees agreed was a retention issue. The lack of promotional opportunities is caused by two factors; the fact that the department is small and that most of the strong positions are currently held by fairly young members. Employees must feel like they have an opportunity to advance. Promoting from within is one of the proven methods of employee retention. It shows that there is room for advancement and growth within the department (Marx, 1995).

## **RECOMMENDATIONS**

The institute must improve its recruitment policies and procedures. There should be no doubt in each new recruit's mind as to what he or she is signing up for. The work schedule, the workload and the career opportunities should be clearly stated and understood. This will help eliminate any

disappointment when new members begin work. To help offset the lack of emergency responses the institute should involve its employees in the daily operation of the institute. Department members should have more say in how they do their job. This will give the members a sense of buy-in and will help make them feel they are more a part of the department.

The department should increase and improve its awards program. Just because there may be no promotions available does not mean that you cannot reward an employee for a job well done. These rewards can be in the form of money, gifts, plaques and memos. If there is no room for upward mobility then move the employees laterally. If an employee is working in operations move him to fire prevention or training for a while. This will help him get a better overall view of the department and hopefully stimulate his interest. Stretch the members by giving them multiple assignments (Branch, 1998). Upper-management must constantly communicate the importance of the work being done and the importance of the people doing it. The institutes should conduct further research on the subject of retention. The institutes should also form a permanent retention committee to constantly monitor and advise management on retention issues. The educational institute should develop an ongoing recruitment effort in order to maintain a larger talent pool from which to select future employees.

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## **Appendix A**

### **Former Employee Interview Sheet**

### **Former Employee Interview Sheet**

1. What was the main reason you left the institute?
  
2. Did any of the following issues influence your decision to leave?
  - A. Work schedule
  
  - B. Job satisfaction
  
  - C. Training opportunities
  
  - D. Promotional opportunities
  
  - E. Pay and benefits