

Chapter 6

Findings and Recommendations

6.1. Findings

6.1.1. Overall Findings

The research study has been carried out to find out the various retention initiatives taken up by various service sectors operating in both public and the private sector in the city. A literature review has been carried out to find out the major factors of employee retention. A survey has also been carried out to find out the actual situation and the perception and views of the respondents towards the factors taken or initiated by their respective organizations for retaining them. The data collected have been analyzed by applying various statistical tools. After the analysis and discussion, the following are the findings of the study.

1. The review of literature has highlighted that factors like compensation, reward, promotion, participation in decision making, work life balance, work environment, training and development, leadership and supervision and job security play a major role in retention of employees in an organization.
2. Factor analysis has been conducted to find out the most important factors which play a crucial role in employee retention. After doing factor analysis, factors such as compensation, recognition, career progression, involvement in decision making, work life balance, work environment, training and learning, leadership and supervision and job security were extracted.
3. Out of the 518 respondents, 40.7% are male and 59.3% female.
4. 29% of the respondents fall in the age category of 18 years to 29 years and 34.7 % fall in the category of 30 years to 39 years of age. Thus the approximately 64% of the respondents fall within the category of 18 years to 39 years category

- which shows that the samples under the study are very young people. Only 7.5% of respondents fall under the category of 55 years and above.
5. 13.1% of the respondents have an experience of less than a year in their present jobs, 34.7% fall in the category of 1 year to 5 years of job experience, 16.4% have 6 years to 10 years of work experience and 26.1 % respondents have more than 15 years of service experience.
 6. 66.6% of the respondents fall in the normal working hour's category i.e., 7 hours to 8 hours a day. 17.6% of the respondent work for 8 hours to 9 hours a day whereas only 1.4% of the respondents spend above 12 hours a day.
 7. Out of 518 respondents', 271 respondents i.e., 52.3% belong to the public sector and 247 respondents i.e., 47.7% belong to the private sector.
 8. Four service sectors have been selected for the study i.e., education, health, banking and insurance. 43.8% respondents belong to education sector. 20.5%, 20.1% and 15.6% of the respondents belongs to hospitals, banks and insurance respectively.
 9. Positive correlation has been found between the various factors of employee retention and the importance given to the employee retention effort put by the organizations. The correlation was compensation .261(**), reward .220(**), career progression .267(**), involvement in decision making .196(**), work life balance .199(**), work environment .181(**), training and learning .300(**), leadership and supervision .181(**) and job security .140(**) at 1% level of significance.
 10. Approximately 71% of the respondents have rated the existing retention effort put by their respective organizations within the range of good and excellent

whereas 3.9% and 25.5% of the respondents have rated it as worst and poor respectively. Similarly a positive correlation has been found between the various factors of employee retention under investigation and the performance rating given by the employees to the employee retention effort put by the organizations. The correlation was compensation .452 (**), reward .522 (**), career progression .430 (**), involvement in decision making .447 (**), work life balance .236 (**), work environment .487 (**), training and learning .507 (**), leadership and supervision .461 (**) and job security .284 (**) at 1% level of significance.

11. The regression analysis shows that all the nine factors have an impact of 32.4% on performance rating given to the employee retention practices. The most important factors which have a huge impact on the dependent variable are compensation (.013) ($p < .05$), reward (.000) ($p < .05$), involvement in decision making (.028) ($p < .05$) and work environment (.006) ($p < .05$).
12. Employee retention factors such as career progression ($r = .035$) and leadership and supervision ($r = .052$) provided by the superiors has no significant relationship with job satisfaction among employees in the various service sectors under the study. Regression analysis showed that the retention factors do not have any significant impact upon job satisfaction. Although all the factors are regarded as important in employee retention but the existence of these factors have not played any role in satisfying the employees under investigation.
13. No significant difference has been noticed among the male and female respondents with regard to the various factors of employee retention except for

the factors work life balance and leadership provided by the supervisors. The average mean scores of male and female employees for work life balance was $M= 10.32$ for male employees which was smaller than that of its female counterparts ($M= 10.66$). Thus the female employees enjoy more work life balance than the male employees in the work place. Similarly, for leadership also the average mean of male employees ($M= 17.99$) was smaller than the female employees ($M= 18.61$).

14. Significant difference has been found between the employees working in public sector and private sector with respect to employee retention factors of promotional opportunities and growth and job security. It has been found that employees working in private sector organizations enjoy more career progression and growth opportunities than those working in the public sector. But in case of job security, it has been found that employees working in the public sector enjoy more security in their jobs than those working in the private sector.
15. Regression analysis showed that in public sector, all the factors under investigation have an impact of 27.4% on the retention practices of the organizations whereas in case of private sector the impact has been found to be 37.4%. Recognition and work environment are considered to be the most important factors affecting employee retention among public sector employees. But in case of private sector organizations compensation, recognition and work environment are found to be the most important factors affecting the retention practices.

16. No significant difference exists between the male and female respondents with respect to their satisfaction towards their respective jobs and the performance rating given by the employees towards the various retention practices adopted by their organizations. Weaver (1977) reported that gender and job satisfaction are not related to one another. In another research study by Al- Ajmi (2006) no significant relationship has been found between gender and job satisfaction.
17. Significant difference exists between the public and the private sector with respect to job satisfaction and the significant value was $.000 < p < 0.05$. The employees of the public sector enjoy more job satisfaction than its private counterparts as the average mean value of public sector ($M= 3.35$) was higher than private sector ($M= 2.77$). In a study by Jain et al, (2012) a survey has been conducted among the employees working in private as well as public sector banks in India, and it has been concluded that the satisfaction level of private sector employees is less than that of the public sector bank employees.

6.1.2. Banking Sector

1. Significant and positive correlation has been found between various retention factors under investigation and the performance rating given by the bank employees to the employee retention effort put by their respective organizations.
2. All the factors under investigation have an impact of 19.4% on the employee retention practices adopted by the banks. Compensation and recognition are found to be the most important factors affecting the retention practices in banks. A study by Kanwal Abreen and Majid Muhammad (2003) on retention in banking system in Pakistan found that among the various identified factors

employee retention, training and development have a significant impact on the employee retention.

3. Except for work environment, no correlation exists between job satisfaction among bank employees and all other factors of retention under investigation.
4. No significant difference exists between the male and female respondents working in various banks in the city with respect to various retention factors.
5. Significant difference exists between the employees working in nationalized banks and private banks with respect to factors such as work life balance and job security. For work life balance and job security the significant values are .010(*) and .018(*) at 1% level of significance. The average mean score of public sector employees is statistically higher (M= 8.55 and S.D= 1.011) than that of private sector employees (M=7.98 and S.D=1.378). Thus it can be concluded that employees of public sector enjoy more work life balance and job security than private sector bank employees. The findings are similar to the one founded by Jain *et. al.*, (2012), where a survey was carried out among public and private sector bank employees in India, and it was found that the employees working in private sector banks felt less secure in their jobs than that of the public sector bank employees.

6.1.3. Insurance Sector

1. Positive and significant correlation exists between the various factors of employee retention and the performance rating given to employee retention practices by the employees working in the insurance sector in the city.
2. Regression analysis found that the various factors of employee retention under the study have an impact of 27.8% on the employee retention practices adopted

by the insurance companies operating in the city of Guwahati. Out of all the ten retention factors, leadership and supervision provided by the superiors or the team leaders had the greatest impact on the retention practices of the life insurance companies.

3. Factors such as compensation [.261(*)], work environment [.238(*)], training and learning [.363(**)] and job security [.334(**)] have a positive and significant correlation with job satisfaction among employees working in various life insurance companies.
4. No significant difference has been found among the male and female employees working in private as well as public life insurance companies with respect to various employee retention factors under investigation.
5. No significant difference has been found between the employees working in private life insurance companies and public life insurance company (LICI) with respect to various retention factors except for job security. In case of job security, it is found that the employees working in LICI feel more secured in their job as compared to that of the employees working in private insurance companies. The average mean score of public sector (M= 8.88 and S.D= 0.853) is higher than that of private sector (M= 7.80 and S.D= 1.364).

6.1.4. Education Sector

1. Positive correlation has been found between the performance rating given by the employees to the retention practices in the education sector and the various factors of employee retention.
2. The regression analysis showed that the all the factors of retention under investigation have an impact 33.9% on the employee retention practices in the

education sector. Factors such as reward and work environment have the greatest impact on the employee retention practices.

3. Factors such as reward and recognition [.146(*)], involvement in decision making [.154(*)] and job security [.164(*)] has a positive correlation with job satisfaction among teachers working in various educational institutes in the city.
4. No significant difference exists among the male and female respondents with respect to retention factors such as compensation, recognition, career progression, participation in decision making, work life balance, work environment, training and leadership
5. Significant difference has been found among the various types of educational institutes with respect to retention factors such as compensation, career progression, training and learning and job security. After in depth analysis, it has been found that central school teachers and state government school teachers are more satisfied with compensation than those of the private school teachers as their average means are higher than those of the private school teachers. But in case of colleges, the results are opposite as the private college teachers are more satisfied than their counterparts. For promotional career progression, it is found that private school teachers enjoy more opportunities of growth than those of the government school teachers but lesser opportunities than those of the central school teachers. It has also been found that private college teachers enjoyed more opportunities of promotion than those of the teachers working in provincialised colleges. These findings are in contradiction to that of Whitener *et. al.* (1997), where an analysis of data on more than 7,000

teachers during the period 1994–1995 was done and it was found that attrition rate of private school teachers (11.9%) was more than that of public school teachers (6.6%) and the most dissatisfying factors cited by private school teachers was that of lack of recognition and support from administration (30.2%) and poor opportunity for professional advancement (14.6%).

For the factor training and learning, it is found that compared to the school teachers employed in central schools and state government schools, the teachers of private schools get less opportunities of upgrading their skills. Similarly the private college teachers revealed more opportunities of training and learning than those of provincialised college teachers. Lastly, it has been found that the private school teachers enjoyed less job security than those of the state and the central school teachers.

6.1.5. Health Sector

1. Positive correlation has been found between the various retention factors and the performance rating given to the employee retention practices by the nurses working in various government as well as private hospitals in the city.
2. All the nine factors under investigation have an impact of 26.1% on the employee retention practices adopted by the hospitals for retaining the nurses in the city. Compensation and job security has the greatest impact on the employee retention practices. A study by Mokoka (2007) also found that handsome and competitive salary is one of the most important factors which can help nurse retention in hospitals.
3. No correlation has been found among the various factors of employee retention and the job satisfaction among the nurses working in various hospitals in the

city. Thus none of the factors acted as job satisfiers to the nurses working in various private as well as government hospitals providing services in the city. In contradiction to this, a research by Khan *et. al.*,(2012) concluded that factors like pay, promotion, job safety and security, working conditions, autonomy in the job, relationship with co-workers and supervisor, and nature of the work affect the level of job satisfaction among doctors, nurses, administrative and accounts staff working in autonomous medical institutions in Pakistan.

4. Significant difference has been found between employees working in private and government hospital with respect to retention factors such as career progression, work environment, training and learning opportunities and leadership of the supervisors. In case of all the above mentioned factors it has been found that the nurses working in private hospitals enjoy more career growth opportunities, good work environment, proper training and learning opportunities and good leadership than its public counterpart.

6.1.6. Comparison Between Sectors

1. Significant difference exists between educational institutes and hospitals with regard to various factors of employee retention as observed or calculated value is >1.96 (table value) except for the factor Job Security.
2. No significant difference exist between educational institutions and banks with respect to work life balance, work environment, leadership and job security.
3. Comparison between education and insurance reveals that for the factors compensation, recognition, career progression, involvement in decision making, work environment, training and learning and leadership significant difference exists between the two sectors as calculated value is greater than

table value. But in case of work life balance and job security, no significant difference exists between the two sectors.

4. In case of hospitals and banks it has been found that except for the factors career progression, training and learning and job security, significant difference exists between the two sectors under investigation with respect to the other factors of employee retention.
5. The comparison between hospitals and insurance highlights that except for the factors compensation and work life balance no significant difference exists between the two sectors with respect to the other seven factors of employee retention as observed value is < 1.96 (table value).
6. In case of banks and insurance no significant difference exist between the factors such as compensation, recognition, career progression, work life balance, training and learning and job security. But significant difference exists between the two sectors with respect to involvement in decision making, work environment and leadership provided to the subordinates.

6.2. Recommendations

The researcher forwarded the following suggestions to the various service sector organizations under investigation for better employee retention and greater job satisfaction among the various categories of employees so that can provide longer and continuous services to their employers.

1. Promotion and opportunity to grow in career or career progression plays a very important role in motivating and pushing the employees in giving their best performances. People always join an organization to grow and progress in their lives. It is the responsibility of the employers to identify these needs and take care of them. Since it has been found in the analysis that the employees working in various service sectors in the city were not happy or satisfied with the promotional opportunities or the career growth ladder provide to them, it is suggested that the service sector organizations should develop a feasible promotion or growth opportunity policy so that it not only satisfies the present employees but also act as a source of attracting new talent into the organization. Secondly, it has also been found that the respondents are not satisfied with the leadership or supervision provided by the superiors. Proper leadership is very essential not only for motivating employees but it also creates a good and congenial work environment in the workplace. Good leadership helps in reaching the targets very easily. So it is suggested that the service sector organizations should take the leadership factor into consideration for running their organizations smoothly. Proper training should be provided to the managers or the supervisors by

professionals on leadership and team handling so that they can carry out their work in a much smoother and better way.

2. It has been found that the male respondents in the organizations enjoy less work life balance than those of their female counterparts. A proper and equal balance between the personal and the professional life is required by each and every employee employed in the organization irrespective of the gender because everyone have their families and a personal life and each and every person has the right to give enough time to their families whether the person is a male or a female. None of the organizations surveyed have any specific work life balance policy to be followed, in fact many of them are not aware of any such kind of policy. So it is recommended by the researcher that all the organizations should take the matter of work life balance seriously and take immediate steps to formulate and implement such a policy. Absence of such policy hampers the day to day working of the organization as some sort of flexibility at work place is expected by each and every employee.
3. Private sector organizations in the city are rising very rapidly and they are giving a very good competition to the public sector. Private sector organizations provide very lucrative opportunities to the employees by providing them handsome packages and rapid growth opportunities. The findings revealed that promotional and growth opportunities are very good in private sector and are strong enough in retaining their employees than those of the public sector organizations. Besides the promotion policy followed by the public sectors are rigid than those of the private sector. So it is suggested that the public sector organizations should also adopt a promotion policy

which is flexible and takes into account all the important factors of the employee starting from their performances, experiences and the overall career. The policy should be such which motivates an employee to work for the organizations and frequent reviews should be done with the help of the experts in the area along with the views of the employees. Secondly, in case of job security also a difference has been found between the respondents of the public as well as the private sector, where lack of job security was found among the employees working in private sector. Most of the private sector organizations under investigation do not have any provision of retirement benefits, medical benefits, provident funds or strict employment policy where an assurance can be given to the employed that in future there will be no lay off or retrenchments or job cuts if the economic environment demands which is a matter of great concern not only to those who are employed but also to the society. It really acts as a great de-motivator to the employees. So it is suggested that this issue is to be immediately addressed and a strong initiative should be taken by the organizations to give at least the minimum benefits to its employees. Besides, it is also recommended that the government should also formulate some strict policies for the private sector so that they take these matters seriously and give some sort of job security to its employees.

4. Comparison between public and private sector revealed that employees of the public sector are more satisfied in their jobs than those of the private sector. This may be due to the fact that public sector jobs are considered to be more secured and the work pressure in public sector are perceived to be less than those of the private sector. So it is suggested that appropriate steps in the

form of job security, regularity in jobs, less pressure in work, proper counselling etc should be initiated so that the satisfaction level of the employees can be increased. Periodic surveys should be conducted among the employees working in various private sectors with the initiation of some agencies, to understand the perception of the employees towards their work, work place, needs and desires.

5. Bank employees seem to be happy with the work environment that prevails in their organization but they are not satisfied with the other factors of retention under investigation. So it is recommended that the employers in banks should investigate the problems that exist in their retention initiatives and also seek the views of their employees and innovates new ideas which they can employ with respect to factors such as compensation, reward, promotion, training and development etc that they can successfully satisfy their employees.
6. In the banking sector also, it has been found that the employees of the private sector employees enjoy less work life balance and job security than those of the public sector employees. Lack of job security is also a matter of concern among the employees of the private life insurance companies in the city. The private banks and life insurance companies are suggested to bring some policy changes to give more job security to its employees and they also need to address the issue of work life balance which has become a burning issue among the employees.
7. Conditions of nurses working in various hospitals in the city do not seem satisfactory. They are not satisfied with any of the factors of retention under investigation which is a very serious matter. Some strict policy measures are

to be taken by the hospitals to improve the condition of the nurses and they are to be provided with better monetary benefits, good working conditions, leadership etc for improving and motivating the nurses working in various hospitals in the city.