

A STUDY ON EMPLOYEE ATTRITION AND RETENTION IN A MULTISPECIALTY HOSPITAL

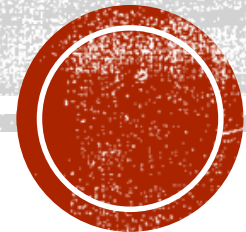
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MBA-HM-22 (2017-19)

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ABOUT THE HOSPITAL



- Manipal Hospital Whitefield (MHW) is a unit of the renowned Manipal Hospitals network that is known for Quality and Patient care. It is a 280 beds multi-speciality Hospital offering world-class services in the Whitefield area of Bangalore city. Manipal Hospital Whitefield covers the complete range of Preventive and Curative care
- The hospital has been set up with the objective of making available the services of qualified & experienced medical professionals to the residents of Whitefield and neighbouring areas. The hospital always emphasizes the age-old adage that "Prevention is better than cure."
- Manipal Hospitals is devoted towards clinical excellence, patient centricity, and ethical practices
- The commitment to clinical excellence is palpable in the high calibre of the team of medical practitioners. Nursing staff and paramedical professionals are highly competent and provide great support to hospital's clinical team
- Manipal Hospitals attach the highest importance to ethical practices which is evident in professional conduct, honesty, trust, and confidentiality



- Attrition in business describes a gradual but deliberate reduction in staff numbers that occurs as employees retire or resign and are not replaced.
- A common attrition rate definition refers to employee or staff turnover, but in a broader sense, attrition rate is a calculation of the number of individuals that vacate or move out of a larger or collective group over a specified time frame. It is a gradual reduction of work force which can be in the form of resignation, job abandonment, retirement, or death

ATTRITION

Attrition is a critical issue and high in the healthcare industry these days. It is the major problem which highlights in all the healthcare organisations. This study is to know the reasons why attrition occurs, to identify the factors which make employees satisfy and dissatisfy.



RETENTION

- Employee Retention is a process in which employees are encouraged to remain with the organisation for the maximum period of time or until the completion of the project. Employee Retention is beneficial for the organisation as well as the employees.
- Key areas of employee retention are: Compensation, Environment, Growth, Relationship and Support

Healthcare employee retention is a significant challenge to the industry, and employee turnover is not good for anyone involved. It is expensive for organizations, worrying for employees who want a stable work environment, and does not create a positive environment for patients



REVIEW OF LITERATURE

The reasons for employee turnover may vary from external environmental factors such as economy that influence the business that in turn affects the employment levels (Pettman 1975; Mobley, 1982, Schervish, 1983; Terborg and Lee, 1984) to Organizational variables such as type of industry, occupational category, Organization size, payment, supervisory level, location, selection process, work environment, work assignments, benefits, promotions and (Mobley, 1982; Arthur, 2001)

Organizations failing to retain high performers will be left with an understaffed, less qualified workforce that ultimately hinders their ability to remain competitive (Rappaport, Bancroft, & Okum, 2003). Three studies incorporated attitudinal and/or behavioural changes over time to better predict turnover. Sturman and Trevor (2001) found that quitters' performance over time did not significantly change while stays' performance slope was positive. Demographic factors cannot be ignored as age, tenure, level of education, level of income, job category, gender have influenced employee retention and have been found to have stable relationship with turnover intention. Of the above demographic factors, age, tenure and income level was found to be negatively related to turnover intention (Arnold & Feldman, 1982; Cotton & Tuttle, 1986; Gerhart, 1990; Mobley et. Al, 1979; Price & Mueller, 1986; Wai & Robinson, 1998; Weil & Kimball, 1995); level of education is positively associated with turnover, the more educated the employees there is a tendency to quit (Berg, 1991; Cotton & Tuttle, 1986)



FACTORS OF RETENTION

1. Salary
2. Superior-Subordinate Relationship
3. Growth Opportunities
4. Policies and Procedures
5. Recognition
6. Appreciation



RESEARCH QUESTION:

What are the various factors related to retention and attrition in a Multispecialty Hospital?

OBJECTIVES:

- To investigate the perception of employee satisfaction with respect to different factors of retention
- To investigate the Intention to leave (attrition) and to recommend ways to reduce attrition



HYPOTHESIS

Hypothesis A:

H1o: There is no association between salary and intention of leaving the organisation

H1a: There is a association between salary and intention of leaving the organisation

Hypothesis B:

H2o: There is no association between superior-subordinate relationship and intention of leaving the organisation

H2a: There is a association between superior-subordinate relationship and intention of leaving the organisation

Hypothesis C:

H3o: There is no association between growth opportunities and intention of leaving the organisation

H3a: There is a association between growth opportunities and intention of leaving the organisation



Hypothesis D:

H4o: There is no association between policies & procedures and intention of leaving the organisation

H4a: There is a association between policies & procedures and intention of leaving the organisation

Hypothesis E:

H5o: There is no association between recognition and intention of leaving the organisation

H5a: There is a association between recognition and intention of leaving the organisation

Hypothesis F:

H6o: There is no association between appreciation and intention of leaving the organisation

H6a: There is a association between appreciation and intention of leaving the organisation



STUDY METHODOLOGY

Research Design: Descriptive Study

Duration: 3 months

Location: Manipal Hospitals, Whitefield

Data Collection Tool used: A semi structured questionnaire containing both open and closed ended (majority) questions was used.

Sample Size: 130 respondents

Quantitative Data: Closed ended questions regarding their opinions in terms of salary, superior-subordinate relationship, growth opportunities, company policies and procedures, appreciation and recognition.

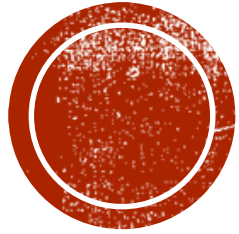
Qualitative Data: There is only one open ended question which is there to analyze, what are the things a company should do for their employees to reduce the attrition

Inclusion Criteria: Employees of administration, paramedical, information technology, pharmacy, nursing

Exclusion Criteria: Doctors



Retention Indicators



Satisfaction with: salary, superior-subordinate relationship, growth opportunities, facilities, policies and procedures, recognition and appreciation

SALARY

	Very High	High	Medium	Low	Very Low	TOTAL
<i>Compared to Competitor Organization</i>	15 (12%)	54 (42%)	35 (27%)	26 (20%)	0 (0%)	130 (100%)
<i>Performance Bonus</i>	14 (11%)	25 (19%)	42 (32%)	48 (37%)	1 (1%)	130 (100%)
<i>Increment</i>	24 (18%)	32 (25%)	45 (35%)	23 (18%)	6 (5%)	130

SUPERIOR-SUBORDINATE RELATIONSHIP

	Very High	High	Medium	Low	Very Low	TOTAL
Encouragement	28 (22%)	47 (36%)	32 (25%)	19 (15%)	4 (3%)	130 (100%)
Effort for Job Promotion	30 (23%)	27 (21%)	34 (26%)	29 (22%)	10 (8%)	130 (100%)

GROWTH OPPORTUNITIES

	Very High	High	Medium	Low	Very Low	TOTAL
Opportunities	51 (29%)	43 (33%)	26 (18%)	10 (15%)	0 (0%)	130 (100%)
Promotion	38 (33%)	43 (35%)	20 (14%)	24 (13%)	5 (5%)	130 (100%)

Policies and Procedures

	Very High	High	Medium	Low	Very Low	TOTAL
Policies and Procedures Provided	45 (35%)	43 (33%)	25 (19%)	9 (7%)	8 (6%)	130 (100%)
Administration of policies and Procedures	51 (39%)	37 (28%)	26 (20%)	16 (12%)	0 (0%)	130 (100%)

RECOGNITION

	Very High	High	Medium	Low	Very Low	TOTAL
Recognition Received	42 (32%)	30 (23%)	48 (37%)	10 (8%)	0 (0%)	130 (100%)
Awards and Benefits Received	16 (12%)	39 (30%)	42 (32%)	20 (15%)	13 (10%)	130 (100%)

Appreciation

	Very High	High	Medium	Low	Very Low	TOTAL
Appreciation Received	24 (18%)	67 (52%)	20 (15%)	19 (15%)	0 (0%)	130 (100%)
Encouragement Received	21 (16%)	53 (41%)	37 (28%)	19 (15%)	0 (0%)	130 (100%)

Intention to leave the organisation

	Very High	High	Medium	Low	Very Low	TOTAL
Feeling of leaving the Organisation	38 (29%)	23 (18%)	27 (21%)	42 (32%)	0 (0%)	130 (100%)



FINDINGS

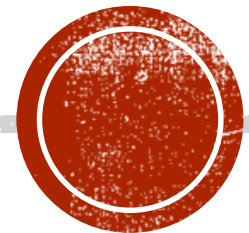
Using Chi-Square

Association between

Intention to leave the organization

and

- 1. Salary**
- 2. Superior-subordinate relationship**
- 3. Growth opportunities**
- 4. Policies and procedures**
- 5. Recognition**
- 6. Appreciation**



Association between Salary and Intention to leave the Organisation

		Q6			Total
		1.0	2.0	3.0	
Q21	1.0	33	15	13	61
	2.0	13	9	5	27
	3.0	23	11	8	42
Total		69	35	26	130

Expected	Observed	E-O	(E-O)^2	(E-O)^2/E
32.38	33	-0.62	0.39	0.01
14.33	13	1.33	1.77	0.12
22.29	23	-0.71	0.50	0.02
16.42	15	1.42	2.03	0.12
7.27	9	-1.73	3.00	0.41
11.31	11	0.31	0.09	0.01
12.20	13	-0.80	0.64	0.05
11.31	5	6.31	39.79	3.52
8.40	8	0.40	0.16	0.02
				4.291

Degree of freedom is 1 and level of significance 0.05

As we know, when Chi-square calculated value is greater than Chi-square critical value – we reject the null hypothesis. Here in this association between intention to leave and salary, chi square calculated value is 4.291 and chi square critical value is 3.84 (*as per table*)

4.291 > 3.84, We reject the null hypothesis. (There is a significant relationship between salary and intention of leaving the organisation)

Association between Superior-Subordinate Relationship and Intention to leave the Organisation

		Q9			Total
		1.0	2.0	3.0	
Q21	1.0	32	19	10	61
	2.0	17	5	5	27
	3.0	26	8	8	42
Total		75	32	23	130

Expected	Observed	E-O	(E-O)^2	(E-O)^2/E
35.19	32.00	3.19	10.19	0.29
15.58	17.00	-1.42	2.03	0.13
24.23	26.00	-1.77	3.13	0.13
15.02	19.00	-3.98	15.88	1.06
6.65	5.00	1.65	2.71	0.41
10.34	8.00	2.34	5.47	0.53
24.23	10.00	14.23	202.51	8.36
10.34	5.00	5.34	28.50	2.76
7.43	8.00	-0.57	0.32	0.04
				13.70

Degree of freedom is 1 and level of significance 0.05

As we know, when Chi-square calculated value is greater than Chi-square critical value – we reject the null hypothesis. Here in this association between intention to leave and superior-subordinate relationship, chi square calculated value is 13.70 and chi square critical value is 3.84 (*as per table*)

13.70 > 3.84 , We reject the null hypothesis. (There is a significant relationship between superior-subordinate relationship and intention of leaving the organisation)

Association between Growth opportunities and Intention to leave the Organisation

		Q12			Total
		1.0	2.0	3.0	
Q21	1.0	39	11	11	61
	2.0	19	2	6	27
	3.0	23	7	12	42
Total		81	20	29	130

Expected	Observed	E-O	(E-O)^2	(E-O)^2/E
38.01	39.00	-0.99	0.98	0.03
16.82	19.00	-2.18	4.74	0.28
26.17	23.00	3.17	10.04	0.38
9.38	11.00	-1.62	2.61	0.28
4.15	2.00	2.15	4.64	1.12
6.46	7.00	-0.54	0.29	0.04
13.61	11.00	2.61	6.80	0.50
6.02	6.00	0.02	0.00	0.00
9.37	12.00	-2.63	6.92	0.74
				3.37

Degree of freedom is 1 and level of significance 0.05

As we know, when Chi-square calculated value is greater than Chi-square critical value – we reject the null hypothesis. Here in this association between intention to leave and growth opportunities, chi square calculated value is 3.37 and chi square critical value is 3.84 (*as per table*)

3.37 < 3.84, We accept the null hypothesis. (There is no significant relationship between growth opportunities and intention of leaving the organisation)

Association between Policies & Procedures and Intention to leave the Organisation

		Q16			Total
		1.0	2.0	3.0	
Q21	1.0	38	12	11	61
	2.0	20	5	2	27
	3.0	30	9	3	42
Total		88	26	16	130

Expected	Observed	E-O	(E-O)^2	(E-O)^2/E
41.29	38.00	3.29	10.84	0.26
18.28	20.00	-1.72	2.97	0.16
28.43	30.00	-1.57	2.46	0.09
12.20	12.00	0.20	0.04	0.00
5.40	5.00	0.40	0.16	0.03
8.40	9.00	-0.60	0.36	0.04
7.51	11.00	-3.49	12.20	1.62
3.32	2.00	1.32	1.75	0.53
5.17	3.00	2.17	4.71	0.91
				3.65

Degree of freedom is 1 and level of significance 0.05

As we know, when Chi-square calculated value is greater than Chi-square critical value – we reject the null hypothesis. Here in this association between intention to leave and policies & procedures, chi square calculated value is 3.65 and chi square critical value is 3.84 (*as per table*)

3.65 < 3.84, We accept the null hypothesis. (There is no significant relationship between policies and intention of leaving the organisation)

Association between Recognition and Intention to leave the Organisation

		Q18			Total
		1.0	2.0	3.0	
Q21	1.0	26	25	10	61
	2.0	16	7	4	27
	3.0	13	10	19	42
Total		55	42	33	130

Expected	Observed	E-O	(E-O)^2	(E-O)^2/E
25.81	26.00	-0.19	0.04	0.00
11.42	16.00	-4.58	20.95	1.83
17.77	13.00	4.77	22.75	1.28
19.71	25.00	-5.29	28.01	1.42
8.72	7.00	1.72	2.97	0.34
13.57	10.00	3.57	12.74	0.94
15.48	10.00	5.48	30.08	1.94
6.85	4.00	2.85	8.14	1.19
10.66	19.00	-8.34	69.53	6.52
				15.47

Degree of freedom is 1 and level of significance 0.05

As we know, when Chi-square calculated value is greater than Chi-square critical value – we reject the null hypothesis. Here in this association between intention to leave and recognition, chi square calculated value is 15.47 and chi square critical value is 3.84 (*as per table*)

15.47 > 3.84, We reject the null hypothesis. (There is a significant relationship between recognition and intention of leaving the organisation)

Association between Appreciation and Intention to leave the Organisation

		Q20			Total
		1.0	2.0	3.0	
Q21	1.0	35	18	8	61
	2.0	16	9	2	27
	3.0	23	10	9	42
Total		74	37	19	130

Expected	Observed	E-O	(E-O)^2	(E-O)^2/E
34.72	35.00	-0.28	0.08	0.00
15.37	16.00	-0.63	0.40	0.03
23.91	23.00	0.91	0.82	0.03
17.36	18.00	-0.64	0.41	0.02
7.68	9.00	-1.32	1.73	0.23
11.95	10.00	1.95	3.82	0.32
8.92	8.00	0.92	0.84	0.09
3.95	2.00	1.95	3.79	0.96
6.14	9.00	-2.86	8.19	1.33
				3.02

Degree of freedom is 1 and level of significance 0.05

As we know, when Chi-square calculated value is greater than Chi-square critical value – we reject the null hypothesis. Here in this association between intention to leave and appreciation, chi square calculated value is 3.02 and chi square critical value is 3.84 (*as per table*)

3.02 < 3.84, We accept the null hypothesis. (There is no significant relationship between appreciation and intention of leaving the organisation)

	Factors	Null Hypothesis
With Intention to leave the Organisation	Salary	Reject
	Superior-Subordinate Relationship	Reject
	Growth Opportunities	Accept
	Policies and Procedures	Accept
	Recognition	Reject
	Appreciation	Accept



REASONS WHY ATTRITION OCCURS?

(FROM THE OPEN ENDED QUESTIONS)

- In any industry the work can often be monotonous and opportunities for career growth minimal. So when opportunities beckon, the high rate of attrition is not surprising. Reasons why employees leave the organization:

- Monetary factors
- Inability to handle various types of stress
- Monotonous work
- Lack of career growth
- Problems with those in senior position



RETENTION TOOLS FOR EMPLOYEES



Train your front line,
managers and
administrators



Enhancement,
Advancement and
Progression
Opportunities



Go in for employee
engagement practices



Transparency in
communication

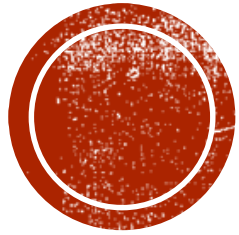


Encourage higher
learning



As they say, happiness can be contagious. So make sure, workplace is a happy one, which every employee would love to spend time. Human resources department along with Senior Management must take steps to make sure of this.

The main aim of any organization is to earn profit. But to attain the maximum profit, the organization should concentrate more on employees and the ways to retain them for their long run. From the study it is identified that lack of growth opportunities and salary are the major factors which force employees to change their jobs. This study concludes that to reduce attrition industries should create some opportunities for the growth of their employees within the organization by adopting new innovative technologies and effective training programs. The company should also think of recruiting people who are in the vicinity of the industry, so that the family related problems will not lead to attrition.



CONCLUSION

Hello everyone,

We need your help!

Attrition is a critical issue and high in the healthcare industry these days. It is the major problem which highlights in all the healthcare organisations. This study is to know the reasons why attrition occurs, to identify the factors which make employees satisfy and dissatisfy.

Please take a few moments to complete this survey. The information you provide will be completely safe and confidential. Your answers might help the organisation to serve you in a better way.

Here's some information that we would like to know from you:

1. Age

- a. Under 18
- b. 18 – 24
- c. 25 – 34
- d. 35 – 44
- e. 45 – 54
- f. More than 54

2. Gender

- a. Male
- b. Female

3. Marital Status

- a. Single, never married
- b. Married
- c. Widowed
- d. Divorced
- e. Separated

4. Educational Qualification

- a. High School Graduate (10+2)
- b. Bachelor's
- c. Master's
- d. Doctorate

5. Experience

- a. Less than 1 year
- b. 1 – 3 years
- c. 4 – 6 years
- d. More than 6 years

6. My Salary when compared with competitor company

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

7. Performance Bonus given to me by the company

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

8. Standard of Increment in the company

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

9. The encouragement getting from supervisors to work as team

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

10. The Supervisor's effort for job promotion

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

11. Opportunities provided by the company

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

12. Chances of getting promotion

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

13. Benefit and welfare facilities provided by the company

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

14. Satisfaction getting with the physical working condition

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

15. Employee policies and procedures by the company

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

16. Administration of employee policies and procedures

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

17. Recognition received abilities, efficiency and good work done

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

18. Cash award/salary increase/promotion getting for outstanding performance

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

19. Appreciation receiving for the good work done

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

20. Encouragement receiving to learn new skills on the job

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

21. Feeling of leaving the organisation

- a. Very High
- b. High
- c. Medium
- d. Low
- e. Very Low

22. What do you think the Organisation should do to reduce the attrition rate?

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