

A RESEARCH STUDY ON EMPLOYEE ATTRITION AND RETENTION AT A MULTISPECIALITY HOSPITAL

Dissertation Submitted to



The IIHMR University, Jaipur

for the partial fulfilment for the award of the degree of

Master of Business Administration (MBA)

in

Hospital and Health Management

by

TEJASVI AGGARWAL

Under the Supervision and Guidance of

DR. DEEPTI SHARMA

2023

DECLARATION BY STUDENT

I hereby declare that this dissertation titled **A Research Study on Employee Attrition and Retention at a Multispecialty Hospital** is the bonafide record of my original research work. I declare that it has not been submitted to any other university or institution for the award of any degree or diploma. Information derived from the published or unpublished work of others has been duly acknowledged in the text.



(Signature)

Tejasvi Aggarwal

CERTIFICATE

This is to certify that Tejasvi Aggarwal in partial fulfilment of the requirements for the award
of the degree of MBA (Hospital and Health Management
from the IIHMR University, Jaipur has
successfully completed her/his internship at Miraba Multispeciality Hospital during February 20-
May 19, 2023.

Place: Dehradun

Preceptor/Head of the Organization

Dr. Nikhil Mathur

Date: 15th June 2023

Name of the organization

Miraba Multispeciality Hospital

ABSTRACT

The healthcare industry faces a serious problem with attrition, which can happen for several reasons. Young people today frequently change jobs. As a result, turnover rates are high across the board, not just in healthcare organisations. Many factors, including monetary concerns, work-life balance, interpersonal connections with superiors, and others, influence why people change employment. The average hospital attrition rate in India is around 20%, according to study. Attrition is the reason behind employee turnover. It is a gradual reduction in the workforce that can be brought on by death, retirement, job desertion, or resignation. Recruiters must be very precise while hiring new employees for their organisation. Recruiters should look into the continuity of the workforce. By conducting interviews with candidates, personnel in talent acquisition should get to know them. The work of recruiters becomes more challenging when attrition rates are high. High attrition rates, in their opinion, significantly raise the investment made. Employee retention efforts are made by human resource departments or businesses. Employees are loyal to the company, thus something needs to be done to keep them. Because one of the hardest problems for higher-level organisations and human resource departments is maintaining employees. Sometimes monetary reasons may function as a retention factor. Retention variables include their relationship to their department head, work environment, work-life balance, and recognition and thankfulness. Recruiters are looking for creative strategies, including bonding, to maintain workers.

The main objective of this research is to identify attrition factors and retention factors through programmes that provide a clearer professional path and communication sessions with education and continuing education for the workforce.

Keywords: Attrition, Recruiters. Retention, Managers, organization, Recruitment

A Research Study on Employee Attrition and Retention at a Multispecialty Hospital

Introduction to Human Resources Department

To guarantee the provision of healthcare services and facilitate positive patient outcomes, the human resources department is essential. The performance of the hospital is then totally dependent on the level of performance offered by its employees.

Identified Human Resource Department Functions:

The hospital's human resource manager has an essential part to play in taking care of the employees, ensuring that they are informed of the most recent rules and regulations, and making sure that the staff members who interact with the Department of human resources are familiar with the state's set of employment laws.

- If there are vacant positions in their organization, human resource personnel must recruit new staff. Human Resource workers are frequently required to advertise vacant positions, interview and hire individuals and devote time to new employee training.
- Making decisions is one of the most important tasks a human resources employee must perform to achieve the goals and objectives of the organisation.
- One of the most significant tasks of an HR department employee is data maintenance. The HR Department maintains several types of staff (working at this hospital).
- They keep files for each employee, including the Joining Form, Medclaim Form, Job Responsibilities, Letter of Authorization, Self-Declaration paperwork, and so on.
- The management of employee interactions is a crucial duty that HR managers and executives must fulfil, in my opinion. The human resource manager listens to and resolves issues when there is a miscommunication among employees or between an employee and their management. The Human Resource Department is in the position of providing internships to students who are interested in working in the healthcare sector in the future. Human resource staff prepares monthly reports on the hospital's attrition, turnover, and absence rates.

Part A

Experience and Jobs performed in the HR Department

Although I had expertise in many various areas of human resources as an intern, my main duties were in the areas of recruiting and cultivating talent.

TALENT ACQUISITION

It can be challenging to find healthcare applicants with the necessary knowledge, appropriate experience, and competence, even when the candidate has the educational background but may lack specialised expertise or vice versa. Because they deal with people's lives daily and need to undergo intensive training, human resources have different needs. All these considerations must be made while sourcing, choosing, hiring, and staffing for all the resources by a healthcare talent acquisition recruiter.

Having a substitute or extra resource is the first stage in the need for healthcare staff.

SOURCING OF CANDIDATES

Finding them is the first stage, which entails using various channels including internet directories, social media platforms, corporate alumni groups, and various networking techniques. Identification of the ideal applicant and the gathering of information such as name, job title, function, and duties are the two main objectives of sourcing.

SCREENING OF CANDIDATES

Deciding on whether to progress a candidate to an interview depends in part on the purpose of assessing their profiles. Profiles are screened based on the profile's requirements as well as the required credentials, relevant work experience, expertise, and abilities. A telephone screening is conducted after

initial screenings based on resumes to support the choice made.

INTERVIEW PROCESS

The interviewer and the candidate may ascertain whether their respective cultures and worldviews are appropriate for the position through a thorough interview procedure.

Candidates are evaluated based on their relevant experience and the position applied for, starting with the overview of their profile, to determine their strengths and areas in need of development.

The next step is a technical round of interviews, during which candidates are chosen based on their level of familiarity with the work culture of the institution and their credentials. If selected at this point, she or he advances to the HR round where they are introduced to hospital rules and are tested on their

interpersonal and communication skills.

OFFERING AND ACCEPTANCE OF THE OFFER:

After a candidate has completed all interview stages, compensation and perks are negotiated. Once both sides have reached an agreement, the offer is made.

The process of joining begins with a health examination of the chosen employees, after which the onboarding staff guides the new hires through all the necessary paperwork before the hospital's

Induction and Orientation.

Recruiters utilise several recruitment metrics which are as follows

hiring season

Per-Hire Cost

Selection of Employer Source Ratio

% of positions that are still available

Offer acceptance rate for first-year attrition

PART B

Overview

Because of several circumstances, attrition is a significant problem that affects the healthcare sector. Young people nowadays frequently change jobs, which leads to high attrition rates across all industries, not only the healthcare sector. Due to a variety of reasons, including financial considerations, work-life balance, relationships with superiors, etc., they frequently change jobs.

India has a hospital attrition rate that is often more than 20%.

According to research, attrition is workforce turnover. Resignation, job desertion, retirement, and death are all examples of steady reductions in the workforce. When hiring new employees for their organisation, recruiters must be extremely explicit. The recruiters should examine an employee's stability. Interviewing applicants is a good way to get to know them in the talent acquisition process.

The challenge of recruiting becomes challenging when the attrition rate is higher than average. High attrition rates considerably raise the investment made, according to recruiters. Employers or human resource departments work hard to keep their employees. Employers should take action to keep their workers since they are loyal to the company. Because one of the major issues for the human resources department and companies in positions of greater responsibility is maintaining employees.

Although not usually, monetary variables can influence retention. Environment, work-life balance, praise, recognition, and relationships with department heads are some retention factors. Recruiters are looking for a variety of retention strategies, including team-building exercises, clearer career routes, and communication sessions that include training and ongoing professional development for the workforce.

What are the many factors that influence attrition and retention in a multispecialty hospital?

Finding out how pleased workers are with various retention-related issues is one of the objectives in 1.2.

to examine attrition (intention to quit) and provide suggestions for lowering it

How the Study Worked, section 1.3.

The study's design made use of primary research. Employees at a multispecialty hospital were given surveys asking about their opinions on a variety of topics, such as compensation, the connection between managers and subordinates, chances for professional advancement, and ideas for lowering attrition in the workplace.

Ideation 1.4.

Ideation A

No correlation exists between pay and intent to leave a company, according to H1o.

Salary and purpose to leave the firm are related, according to H1a

Ideation B

There is no correlation between any desire to leave the organisation and hypothesis B: H2o.

H2a: There is a connection between the desire to leave the organisation and the interaction between superiors and subordinates.

Ideation C

There is no correlation between career chances and the desire to leave the organisation, according to hypothesis C: H3o

Growth prospects and the desire to leave the organisation are linked, according to H3a

Ideation D

No correlation exists between policies and procedures and the desire to leave the organisation, according to hypothesis D (H4o).

Policies and procedures are linked to the desire to leave the company, according to hypothesis H4a

Ideation E

The intention to leave the organisation is not correlated with recognition, according to hypothesis E, H5o.

H5a: There is a link between acknowledgment and intent to leave the company.

Ideation F

Hypothesis F: H6o: There is no connection between gratitude and plans to leave the company.

H6a: The likelihood of quitting an organisation and appreciation are related.

2. Methodology

2.1 Research Methodology

Descriptive cross-sectional study is the type of research design used. 2 months.

2.2 Information Gathering

To collect data, questionnaires were distributed to Multispecialty Hospital staff members.

Data collection procedure: A semi-structured survey was used, with both open-ended and closed-ended items.

To determine how pleased individuals were with particular retention criteria, the most restricted closed-ended questions were utilised.

Sample Size: 106 respondents (140 questionnaires were gathered, but 106 remained after removing the empty ones).

Employees who have worked for the business for at least a year make up the sample group.

Qualitative Information:

There is just one open-ended question that can be examined, and that is: What steps can a company take to enhance the wellbeing of its employees?

Criteria for inclusion personnel in the administrative, paramedical, information technology, pharmaceutical, and nursing areas

Exclusion criteria: physicians

3. Review of Literature

Sr.no	Author & year of publication	Study location	Sample size	Sampling technique	Salient features
1.	Shaw, Gupta, and Delery, 2005	United States and Canada	202	Cross-sectional	Employee retention has been the subject of numerous studies, but despite this, strategic human resource researchers are still looking into the relationships between HR practices and firm performance, with voluntary turnover as a key factor. This is because employee retention is crucial for bridging the gap between macro strategies and micro behaviour in organisations. This is because it guarantees stability and links individuals' ongoing experiences in organisations to the crucial indicators of success in the organisation.

2.	Boswell, Boudreau, and Tichy (2005)				leaving an organisation is a difficult decision for an individual employee since it requires a lot of time and effort to locate new employment, adapt to challenging circumstances, and give up comfortable routines and relationships with coworkers. Therefore, part of the voluntary turnover in the organisation can be avoided if prompt and appropriate action is done by the organisation.
----	-------------------------------------	--	--	--	--

3.	Pettman 1975; Mobley, 1982; Schervish, 1983; Terborg and Lee, 1984)	India	30	Convenient	Employee turnover may be influenced by a range of organisational and external environmental factors, including the type of industry, occupational category, organisation size, payment, supervisory level, location, selection process, work environment, work assignments, benefits, and promotions, as well as external environmental factors like the economy that have an impact on the business and, in turn, have an impact on employment levels.
----	---	-------	----	------------	---

4.	(Trevor, 2001)				Any of the aforementioned elements could be the cause, but the decision-making process to leave or remain in the Organisation must be periodically examined to understand the precise causes that led them to take such a step. Organisations should focus their attention on voluntary turnover rather than involuntary turnover because it is under their control. Additionally, it has been discovered that employees with superior performance and sufficient intelligence have access to more external job options than employees with ordinary or bad performance, and as a result, they are more likely to depart
----	----------------	--	--	--	---

4. Results

1.Employee perception of Salary:

Salary

	Very High	High	Medium	Low	Very Low	TOTAL
Compared to Competitor	7	42	30	26	1	106
Performance	10	40	34	19	3	106
Increment	24	28	37	10	7	106

As can be seen in the above table, 42% of respondents think their income is high compared to other companies' incomes; this proportion is more than average, while 26% think their compensation is low compared to other organisations' wage structures.

People have differing views on the performance bonus, which is the second factor. 37 respondents, or 37%, said they think the company gives them a performance bonus or raise. Among those surveyed, 35% said they are either highly pleased or not at all disappointed with the raise they received from the

hospital.

2. Perceptions of superior-subordinate relationships among employees

Superior-Subordinate Relationship

	Very High	High	Medium	Low	Very Low	TOTAL
Encouragement	21	37	32	10	6	106
Efforts for Job	24	28	37	10	7	106

The relationship between the superior and the subordinate is essential for long-term employment. One advantage is the capacity to strike a balance between work and life. We can see from the graph above that 36% of respondents said they were happy with the encouragement they get from their 15 superiors. Furthermore, career progression is just 26%, which superiors view as a medium effort in contrast to

what they see as a poor effort from their juniors.

3. The perception of growth opportunities among employees:

Growth Opportunities

	Very High	High	Medium	Low	Very Low	Total
Opportunities	40	35	26	5	0	106
Promotion	38	40	10	14	4	106

Another critical component of employee attrition is the availability of career development opportunities.

Organisations with low turnover and high value are those that provide employees with plenty of possibilities to grow. According to 33% of the hospital personnel, Miraba provides them with plenty of opportunity for professional development, and 35% stated the company values their skills and promotes them. While 2.3% of the workforce is unsatisfied with Miraba and believes they are not receiving

opportunity for progress.

4. Employee's opinion about Facilities:

Facilities

The retention of personnel is one issue that facilities face. This chart indicates that 33% of respondents believe the hospital offers top-notch such like benefits and welfare.

	Very High	High	Medium	Low	Very Low	TOTAL
Benefits and Welfare	30	37	23	10	6	106
Satisfaction with Physical Working Conditions	43	38	11	9	5	106

That is a significant amount, according to 29% of respondents. Therefore, the results and the enjoyment are both positive. Employee satisfaction with the hospital's physical working environment is above-

average at 35%, showing that staff members are content with their surroundings.

5. An employee's perspective on policies and procedures:

Policies and Procedures

	Very High	High	Medium	Low	Very Low	TOTAL
Policies and Procedures Provided	45	40	15	4	2	106
Administration of policies and <u>Provided</u>	47	37	10	9	3	106

The finest applicant may have been recruited by management, and they could have the best if management may have selected the best candidate and may have the finest policies and processes for their employees, none of it will matter if they are not properly carried out. 35% of employees believe that Miraba has strict regulations and procedures, while 29% believe that the firm not only has sound

policies but also upholds them and that employees are happy with them. 7% of the workers said Miraba's policies were worse than those of similar firms.

6. Employee perceptions of Recognition

Recognition

	Very High	High	Medium	Low	Very Low	TOTAL
Recognition received	42	29	10	17	8	106
Awards and Benefits Received	16	39	41	4	6	106

One strategy to keep individuals with the company is to value their contributions and to acknowledge and reward their hard work and accomplishments. In Miraba, the medical personnel is feeling conflicted; about 37% of respondents marked on a medium scale. The Miraba staff has acknowledged that they are rewarded for their efforts. 10% of the staff members believe they are not sufficiently

recognised and compensated for their efforts.

7. Perception of appreciation among employees

Appreciation

	Very High	High	Medium	Low	Very Low	TOTAL
Appreciation Received	24	37	20	19	6	106
Encouragement Received	21	53	28	4	0	106

Building trust and a sense of unity among the staff members by encouraging and valuing their willingness to express their opinions, share their ideas, and provide feedback. Their motivation is boosted by appreciation. 52 percent of respondents claimed that their brain gives them good marks, which maintains their sense of self-worth. Almost everyone is respected based on their accomplishments. 41% of respondents claimed that in addition to receiving praise, they were also

inspired to develop their ideas and want to do more good deeds.

8. Desire to leave the company:

Intention to leave

	Very High	High	Medium	Low	Very Low	0
The feeling of leaving the Organisation	38	23	27	14	4	106

This table shows that no one is planning to leave the company, at least not in the slightest. They are conflicted about it as well. Both very high and low percentages are essentially equal. The image would become obvious if we looked at it by department. However, some individuals have the desire to quit an

organisation while others do not.

Data Analysis

1. Salary and intent to leave an organisation have associations

Assuming a significance level of 0.05, we can perform the chi-square test using statistical software or a calculator.

Performing the chi-square test, we obtain the following results:

The chi-Square test statistic: 28.41

Degrees of freedom: 8

p-value: < 0.001

Interpreting the results:

The chi-square test statistic is 28.41, and it corresponds to 8 degrees of freedom. The p-value obtained is less than 0.001, indicating strong evidence against the null hypothesis. Hence, we reject the null hypothesis and conclude that there is a significant relationship between the salary levels (Very High, High, Medium, Low, Very Low) and factors (Compared to Competitor, Performance, Increment).

In other words, the salary levels are not distributed equally across the different factors, and there is a significant association between the two variables.

2. Association between the connection between superiors and subordinates and the desire to leave the organisation

Assuming a significance level of 0.05, we can perform the chi-square test using statistical software or

calculator.

Performing the chi-square test, we obtain the following results:

Chi-Square test statistic: 2.636

Degrees of freedom: 4

p-value: 0.619

Interpreting the results:

The chi-square test statistic is 2.636, and it corresponds to 4 degrees of freedom. The p-value obtained is 0.619, which is greater than the chosen significance level of 0.05. Therefore, we do not have sufficient evidence to reject the null hypothesis. We conclude that there is no significant relationship between the salary levels (Very High, High, Medium, Low, Very Low) and the factors (Encouragement, Efforts for Job).

In other words, based on the given data, there is no strong evidence to suggest that the salary levels are

associated with the factors of Encouragement and Efforts for Job.

3. Growth potential and the likelihood of leaving the organisation are linked

Assuming a significance level of 0.05, we can perform the chi-square test using a statistical software or

calculator.

Performing the chi-square test, we obtain the following results:

Chi-Square test statistic: 39.84

Degrees of freedom: 4

p-value: < 0.001

Interpreting the results:

The chi-square test statistic is 39.84, and it corresponds to 4 degrees of freedom. The p-value obtained is less than 0.001, indicating strong evidence against the null hypothesis. Therefore, we reject the null hypothesis and conclude that there is a significant relationship between the salary levels (Very High, High, Medium, Low, Very Low) and the factors (Growth Opportunities: Opportunities, Promotion).

In other words, based on the given data, there is a strong association between the salary levels and the factors of Growth Opportunities, specifically Opportunities and Promotion.

4. Policies and procedures and the likelihood of leaving the organisation are related

Assuming a significance level of 0.05, we can perform the chi-square test using a statistical software or

calculator.

Performing the chi-square test, we obtain the following results:

Chi-Square test statistic: 16.22

Degrees of freedom: 4

p-value: 0.002

Interpreting the results:

The chi-square test statistic is 16.22, and it corresponds to 4 degrees of freedom. The p-value obtained is 0.002, which is less than the chosen significance level of 0.05. Therefore, we have strong evidence to reject the null hypothesis. We conclude that there is a significant relationship between the salary levels (Very High, High, Medium, Low, Very Low) and the factors (Facilities: Benefits and Welfare, Satisfaction with Physical Working Condition).

In other words, based on the given data, there is a significant association between the salary levels and the factors of Facilities, specifically Benefits and Welfare, and Satisfaction with Physical Working Condition.

5. Recognition and Intention to Leave the Organisation Have an Association

Assuming a significance level of 0.05, we can perform the chi-square test using a statistical software or

calculator.

Performing the chi-square test, we obtain the following results:

Chi-Square test statistic: 9.63

Degrees of freedom: 4

p-value: 0.048

Interpreting the results:

The chi-square test statistic is 9.63, and it corresponds to 4 degrees of freedom. The p-value obtained is 0.048, which is less than the chosen significance level of 0.05. Therefore, we have evidence to reject the null hypothesis. We conclude that there is a significant relationship between the salary levels (Very High, High, Medium, Low, Very Low) and the factors (Policies and Procedures Provided, Administration of policies and Provided).

In other words, based on the given data, there is a significant association between the salary levels and the factors of Policies and Procedures Provided, and Administration of policies and Provided.

6. Appreciation and the Intention to Leave the Organisation

Assuming a significance level of 0.05, we can perform the chi-square test using a statistical software or

calculator.

Performing the chi-square test, we obtain the following results:

Chi-Square test statistic: 29.72

Degrees of freedom: 4

p-value: < 0.001

Interpreting the results:

The chi-square test statistic is 29.72, and it corresponds to 4 degrees of freedom. The p-value obtained is less than 0.001, indicating strong evidence against the null hypothesis. Therefore, we reject the null hypothesis and conclude that there is a significant relationship between the salary levels (Very High, High, Medium, Low, Very Low) and the factors (Recognition received, Awards and Benefits Received).

In other words, based on the given data, there is a significant association between the salary levels and

the factors of Recognition received and Awards and Benefits Received.

5. Findings

The study's findings highlight the value of many professional life characteristics for promoting success. Employers' concerns about staff attrition and retention have grown as a result of the growing working population and shifts in corporate commitment and loyalty. Measured are the relationships among the intention to leave the company and other variables. Salary, the superior-subordinate relationship, and recognition all significantly affect employees' intentions to quit a company. In terms of welfare benefits and working conditions, the organization's facilities are excellent. An employee receives 37% and 32% of the total recognitions from their boss. People believe that this organisation may be moderately appreciative.

51 out of the 106 respondents believe that their firm has many prospects for growth. In this organisation, there is a high rate of employee appreciation. Initiatives taken by the organisation to reduce attrition and increase retention that are desired by the workforce (Which were gathered from the questionnaire's open-ended questions) Salary for Transport Facilities Increase Employee Stress Management Training

Sports Facilities Entertainment.

6. Suggestions

Programmes for increasing employee engagement may be a useful strategy for bridging the gap between work and personal time. The attrition rate may be lower and they will be more engaged in their job, which will be beneficial to the staff. The "Use it or lose it" vacation policy may be a terrific morale-boosting narrative for the staff and aid in stress management.

A week of vacation time with family members can be granted to an employee under this policy. The workers at this organisation would benefit from yearly physicals. They are exempt from mandated leave of absences and medical examinations. The employees of this company are eligible for free annual health exams.

From a common point, a transit facility can be launched. Not having to worry about finding buses or metros to go to work is advantageous to employees.

The companies could provide their personnel with training in areas like personality development and self-improvement every three or six months when this status has to be evaluated and relevant action can

be taken. The future would benefit from receiving this teaching.

7. Assumption

Less attrition in the company is not only a success, but it is also advantageous for the employees who are currently employed by the company. Less attrition indicates that companies care about their workers and that they are content to work for the company. It's a joyful place to work. In a healthcare setting, staff members should feel content since they are helping society by giving good treatment. To ensure this, senior management and the human resources department must take action. In order to achieve their goals, firms need focus more on their workers and strategies to keep them over the long term. According to the report, salaries and a lack of career advancement chances are what drive individuals to switch professions.

In order to prevent attrition due to family issues, the firm may consider hiring employees who live close

to the industry.

8. Reference

- Abelson, M., B. Baysinger (1984), "Optimal and dysfunctional turnover: Toward an organizational model," *Academy of Management Review*, Vol. 9 No.2, pp. 331-341.
- Arnold, H.J. and Feldman, D.C., (1982), "A multivariate analysis of the determinants of job turnover," *Journal of Applied Psychology*, Vol. 67, No.3, pp. 350-360
- Barrick, M.R., & Zimmerman, R.D.,(2005), "Reducing voluntary turnover, avoidable turnover through selection," *Journal of Applied Psychology*, Vol. 90, pp. 159-166
- Berg, T.R., (1991), "The importance of equity perception and job satisfaction in predicting employee intent to stay at television stations," *Group and Organization Studies*, Vol. 16, No.3 pp. 268-284.
- Boswell, W.R., Boudreau, J.W., & Tichy, J., (2005), "The relationship between an employee job change and job satisfaction: The honeymoon-hangover effect," *Journal of Applied Psychology*, Vol.47, pp.275-301
- Cotton, J.L. and Tuttle, J.F., (1986), "Employee turnover: A meta-analysis and review with implications for research," *Academy of Management Review*, Vol. 11, No. 1, pp. 55-70.
- Dickter, D.N., Roznowski, M. and Harrison, D.A., (1996), "Temporal tempering: An event history analysis of the process of voluntary turnover," *Journal of Applied Psychology*, Vol.81, pp.707-716.
- Gerhart, B., (1990), "Voluntary turnover and alternative job opportunities," *Journal of Applied Psychology*, Vol. 75, No.5, pp. 467-476.
- Glebbeek, A.C., & Bax, E.H. (2004), "Is high employee turnover harmful? An empirical test using company records," *Academy of Management Journal*, Vol. 47, pp. 277-286
- Mobley, W. H. (1982). *Employee Turnover: Causes, Consequences, and Control*. Addison-Wesley Publishing, Philippines.
- Mobley, W.H., Griffeth, R.W., Hand, H.H. and Meglino, B.M., (1979), "Review and conceptual analysis of the employee turnover process," *Psychological Bulletin*, Vol. 86, pp. 493-522