CHAPTER 5

RECOMMENDATIONS AND CONCLUSION

This concluding chapter of the thesis presents the summary of the research work followed by the recommendations. The chapter also highlights the contribution of this research to knowledge and practice. Limitations and future directions are also explained. The chapter ends with the conclusion.

5.1 SUMMARY OF THE THESIS

Turnover rates are high in healthcare industry and the cost to replace staff continued to rise, in addition getting qualified replacement candidates continued to decline. This increases the need for retaining the available employees. Employee retention involves taking measures to encourage employees to remain in the organization for the maximum period. On the other side, retaining quality workforce provides competitive advantage to any organization. Organisations have realised that employees are the most valuable assets. High turnover will have high impact on the organisational productivity as well as on the morale of those continuing with the organisation.

Having an estimated population of 1.27 billion, in 2014, Healthcare sector in India has grown into an attractive industry with hospitals, pharmaceuticals and medical equipments. Unfortunately,
healthcare sector in India is confronted with high employee turnover rates. Though hospitals have implemented various retention strategies to retain their key performers, how effective are these strategies. Are the hospital employees satisfied with the retention strategies and willing to stay for longer tenure?

The health care industry is one of the world's largest and fastest-growing industries. The global health-care industry is undergoing many changes, from government reforms to groundbreaking drug development. Drivers for growth in the global health care sector include an aging population, rising incidence of chronic diseases, increasing access to care, technological advancements and product innovation. However, health care organisations must address major issues such as navigating the impact of health care reforms in many countries, rising costs, quality issues, lack of infrastructure in many parts of the world, workforce issues and safety and privacy concerns. More people will seek more health-care services, thus demand and volumes will rise. Private-sector health-care companies will have to implement efficiencies, create scale and maintain market power in order to succeed (Jacobson 2014).

In India, healthcare has emerged as one the largest service sector. The Indian healthcare sector is expected to grow at about 15 percent year-on-year. The scope of Indian healthcare is immense. Health care covers not merely medical care but also all aspects of pro-preventive care too. Factors that contribute to the growth are rising incomes, greater health awareness, lifestyle diseases and increasing insurance penetration. The private sector has emerged as a vibrant force in India's healthcare industry and has contributed about 68 per cent of total healthcare spending

There is a growing demand for the quality health care but the absence of matching delivery system pose a great challenge to the hospitals. Recent analyses indicate high absenteeism and attrition rate of the staff in hospitals leading to low quality in clinical care and low satisfaction levels of quality care. Research done by various scholars has indicated that satisfied employees provide customer satisfaction. Since Indian healthcare sector is growing at an exponential rate there is a demand for skilled human resources. Recruiting and retaining nurses have become a deep concern for hospitals in India. According to HR experts, attrition rate among nurses is the highest compared to the average attrition rate of healthcare sector. The reasons for the high attrition in healthcare are inadequate pay, poor working conditions, weak relationship with their supervisors and lack of training and career advancement.

It is imperative that organisations should understand these concerns of their valuable employees and keep them with their organisations for a long time. Excellent performance of the employees should be valued and rewarded. A stable workforce is robust for every organisation. Recent studies have shown that retention of highly skilled personnel has become a challenging task for HR managers, as these highly skilled professionals are always lured by the competitors (Samuel & Chipunza 2009). Retention is defined as a voluntary move by an organization to create an environment, which engages employees for long term (Chaminade 2006).

Employee commitment, productivity and retention issues are emerging as the most critical HR challenges. The organisation is
completely at loss when the employees leave their job once they are fully trained. Turnover of the employees disrupts the teams, raises expenses and reduces productivity and result in lots of organisational knowledge. Departing employees may leave with many kinds of knowledge such as subject matter expertise, organisational memory of why certain decisions were made, awareness of past company projects and relationship with both internal employees and external business partners and customers.

Retention strategies adopted by hospitals include improving work life balance of employees, encouraging learning and development, developing a positive organisational culture etc. Providing employee state insurance, subsidised food etc are some strategies introduced by hospitals in India. Providing a conducive work culture, providing flexibility are also some retention strategies implemented by hospitals in India. Organisations have designed retention programs that include attractive employee benefits, flexible work arrangement, career development programs and a host of other initiatives.

Earlier research on employee turnover focused on investigating why employees leave their organisations. Since last decade, researchers have shifted their focus on HR policies and practices of the organization in order to identify the reasons of employee turnover. In a situation where organizations have implemented retention strategies, the question is how satisfied are the employees on the retention strategies. This research has attempted to find out answers for these questions. A conceptual model, which represents the perception of retention strategies influencing the satisfaction on the strategies and thereby influencing the intention to stay, is framed. The model also frames organisational commitment of the employees as having influence on their intention to stay.
The following primary objectives were framed for the study:

- To study the perception of employees pertaining to the retention strategies implemented in their organizations
- To analyse whether retention strategies have significant influence on employee satisfaction, employee’s organisational commitment and employee’s intention to stay

Following secondary objectives were also framed for the study:

- To examine whether demographic variables – age, gender, marital status and educational qualification level have any influence on employee’s perception towards retention strategies, employee satisfaction, organizational commitment and intention to stay.

The scope of the present study is confined to understanding the perception of paramedical staff in hospitals pertaining to the retention strategies in their organisations. The study also measures the employee’s satisfaction level, organisational commitment and intention to stay with the organization.

Following propositions were initially framed for the study.

- Retention strategies have significant relationship with employee satisfaction on retention strategies
- Employee satisfaction on retention strategies have influence on employee’s intention to stay
Satisfied employees decides to stay with the organization

Employee’s organisational commitment has significant impact on employee’s intention to stay with the organisation

Demographic variables – age, gender, marital status and educational qualification level have influence on employee’s perception towards retention strategies, employee satisfaction, organisational commitment and intention to stay

Study was designed as a descriptive research. The phenomenon of the study are measured and reported to highlight the facts. Since descriptive method uses survey, a self-administered questionnaire was used to collect data of this study. An intense literature review and interview was conducted with the experts and HR managers in hospitals before developing the questionnaire for the study. Scales such as five point agreeableness Likert scale and satisfaction scales are used.

The population consists of employees associated with NABH accredited multispecialty hospitals in India. Sample framework was created by limiting the samples to Bangalore city, which is the hub of multispecialty hospitals. There are 17 NABH accredited hospitals in Bangalore. Among them three hospitals did not participate in the study and the rest had 7553 who were considered as the potential samples. Accounting for non-respondences it was decided to select a sample size of 1000 respondents. Random sampling method was applied to select the respondents. In total 403 responses were collected, removing 26 responses that had high missing values, leaving 377 cases for further analysis.
5.2 SUMMARY OF FINDINGS

The sample represents a wide spectrum of respondents from different age groups, gender, marital status, years of service, educational background, work schedule and job rank. Majority of respondents are from the age group of 36-45 years followed by age group of 26-35 years. Majority of the respondents are women and majority of the respondents are married. On the work experience, majority have 11-15 years of experience. Majority of the respondents who participated in this survey have completed their graduation. With respect to the work schedule majority have regular day shift. Analysis of the respondent’s job rank reveals that majority are frontline service staff.

The relation strategy measured by fourteen statements on a scale of ‘to a great extent’ to ‘not at all’. The construct mean suggest that relationship strategies are followed by the hospitals only to a moderate extent.

Employee support strategies is measured by 20 items on a scale of ‘to a great extent’ to ‘not at all’. The construct mean implies that the respondents’ perception about that the support strategies are only to a moderate extent.

Employee growth strategies is measured by 14 items on a scale of ‘to a great extent’ to ‘not at all’. The construct mean suggests that the respondents feel that the growth strategies are followed by the hospitals only to a moderate extent.

Employee compensation strategies is measured by 13 items on a scale of ‘to a great extent’ to ‘not at all’. The construct mean suggests that
the respondents feel that the compensation strategies are followed by the hospitals only to a moderate extent.

Working environment construct is measured by 13 items on a scale of ‘to a great extent’ to ‘not at all’. The construct mean is slightly above the mid value and suggests that the respondents feel that the working environment strategies are followed by the hospitals only to a moderate extent.

Meaningful contribution construct is measured by 10 items on a scale of ‘to a great extent’ to ‘not at all’. The construct mean is slightly above the mid value and suggest that the respondents feel that the meaningful contributions are highlighted by the hospitals only to a moderate extent.

The satisfaction on retention strategy is measured by 15 items on a scale of ‘highly dissatisfied’ to ‘highly satisfied’ The construct mean suggests that the respondents neither disagree nor agree that they have satisfaction on strategies.

The affective commitment dimension of organisational commitment has six variables that are measured on 5-point agreeableness scale. The mean value of the construct shows that the average opinion on the affective commitment was neutral.

The continuance commitment dimension of organisational commitment has six variables that are measured on 5-point agreeableness scale. The construct mean indicated that the average continuance commitment is neutral and is consistent among the sample.
The normative commitment dimension of organisational commitment has six variables that are measured on 5-point agreeableness scale. The mean value of the construct shows that the overall normative commitment is neutral and is consistent among most of the sample respondents.

The intention to stay is measured by four items on a scale of strongly agree to strongly disagree. The construct mean indicates that there is disagreement on staying long.

Factor analysis was done for the two-second order constructs, retention strategies and organisational commitment. The retention strategies had six constructs. Organisational commitment had three constructs. The results of factor analysis confirm that the variability of the component is caused by their respective items and the factors are distinct. The results also confirm that the six components of retention strategies and three components of organisational commitment are reflected by their respective item.

Multiple measures of reliability are tested and compared. The Composite Reliability (CR) was obtained after the cronbach alpha and Average Variance Extracted (AVE) values were calculated. The results show that all the multi-items that measure the constructs are having internal consistency and the measures are reliable.

The correlation between the retention factors, satisfaction on retention strategies, organisational commitment dimensions and intention to stay are calculated. All the factors were found to have a positive and significant relationship. The relationship between intention to stay and affective commitment, continuance commitment and normative
commitment were found to be good. The relationship between satisfaction and growth strategy and compensation strategy are found to be good. Relationship of satisfaction to relationship strategy, support strategy, work environment and meaning full contribution are found to be moderate. The correlation between satisfaction and intention to stay is found to be moderate. There was moderate correlation between the different retention strategy factors. Similarly, the correlations between the organisational commitment dimensions are found to be moderate.

Structural Equation modelling is used to test the conceptual model. The model is tested stage by stage for analysing the various influences in the model. First, the relationship between satisfaction on retention strategies and intention to stay is tested (Model 1). The results show that there is a positive influence of satisfaction on intention to stay. However, the model fitness indices are poor, indicating that the model needs to be explored further.

The results show that the retention strategies together can predict the satisfaction on retention strategies to an extent of 79.3%. Similarly, satisfaction on retention strategies can predict intention to stay to an extent of 54.9%.

Model 2 that includes organisational commitment as another variable influencing intention to stay reveals a positive and significant influence of satisfaction and organisational commitment on intention to stay. Considering the various fit measures, the model can be said to be valid and perfectly fit the data i.e., the model is proved empirically true. The results show that the retention strategies together can predict the satisfaction on retention strategies to an extent of 79.3%. Similarly,
satisfaction on retention strategies and organisational commitment can predict intention to stay to an extent of 61.1%.

Model 3 connecting satisfaction on retention strategies and organisational commitment acts as mediator. The influence of satisfaction and intention to stay is positive but insignificant. The path between organisational commitment and intention to stay was positive and significant. The results show that the retention strategies together can predict the satisfaction on retention strategies to an extent of 79.3%. The satisfaction on retention strategy predicts organisational commitment to an extent of 0.880. Similarly, satisfaction on retention strategies and organisational commitment can predict intention to stay to an extent of 62.0%.

Model 4 is framed by removing the path between satisfaction and intention to stay. The influence of organisational commitment on intention to is found to be positive and significant. Considering the various fit measures, the model can be said to be valid and perfectly fit the data i.e., the model is proved empirically true.

The results show that the retention strategies together can predict the satisfaction on retention strategies to an extent of 79.3%. The satisfaction on retention strategy predicts organisational commitment to an extent of 0.881. Similarly, satisfaction on retention strategies and organisational commitment can predict intention to stay to an extent of 62.2%.

The difference on opinion on the various study variables among the different groups of demographic characteristics such as age, marital
status, years of service, education, working schedule, job rank and gender is tested by ANOVA.

The result highlights that except for growth strategies, compensation strategies, satisfaction, affective commitment, continuance commitment and intention to stay, for all the other variables there is no difference among the different age groups.

The results reveals that there is no difference in these variables relationship strategy, support strategy, growth strategy, compensation strategy, work environment, meaningful contribution, satisfaction, affective commitment, normative commitment, continuance commitment and intention to stay, among the groups of different marital status

The results reveal that for relationship strategy, support strategy, growth strategies, compensation strategies, continuance commitment and intention to stay, there is difference among the groups with different years of service.

The results reveal that the relationship strategy, support strategy, growth strategy, compensation strategy, work environment, meaningful contribution, satisfaction, affective commitment, normative commitment, continuance commitment and intention to stay is not different among the groups of different educational level.

The results reveal that except for intention to stay for all the other variables there is no difference among the different groups of work schedule.
The results highlight that except for meaningful contribution, satisfaction, continuance commitment and intention to stay, for all the other variables there is difference among the different groups of job rank.

The results of Independent sample t-test shows that there is difference in support strategy, growth strategy, compensation strategy and work environment among the gender.

5.3 RECOMMENDATIONS

Recommendations can be given to the healthcare organisations based on the outcomes of the study.

The study has found that relationship strategy, support strategies, growth strategies, compensation strategies and working environment and meaningful contributions are perceived by the healthcare employees to be available only to a moderate extent. Therefore, explicit retention strategies need to be framed. Even if the employees do not look at policies and benefits of the organisation as a retention strategy, the management should have a perspective as policies and benefits are ultimately retention strategies. If the management do not feel them as retention strategies, the hospital may follow certain policies for compliances. If a policy is in place as for compliance, employees may not really get satisfied. Therefore, the management activities need to be clearly identified as retention strategies so that they are taken seriously and acted from heart.

The organisational commitment and intention to stay was found to be neutral. Therefore, there is a need to look seriously at the employee’s attitude. The strategies that are specifically designed to retain the
employees have a better perception and satisfaction. However, commonly found strategies like compensation and growth strategies are again unsatisfactory. Factors such as keeping the promises made, explore employees needs, career planning and training aspects, appraisal and fairness in compensation are often ignored. When employees are treated as commodities, organisations become opportunistic by differing on the compensation packages, pick employees at varying costs and create disorder. Without a proper retention strategy, an organisation wants to fill the vacancy with somebody to keep the service going, but fails to fit the employee properly into the structure leading to discontent in both existing and new employees. Similarly, without a proper mechanism, organisation fails to negotiations during recruitment or during increments and those who are introverts tend to end up losing negotiations and are left unsatisfied.

The correlations between the factors of retention strategies clearly indicate that they are interconnected. This can be understood as those employees look all strategies together and if they are not satisfied with one, they are dissatisfied with others too. This can be inferred that many good strategies can produce a small change in attitude and satisfaction, but one poor strategy can produce a huge change in the attitude and produce dissatisfaction. The correlations remind the process of mental accounting in decision-making.

The correlations between retention factors, satisfaction, organisational commitment and the intention to stay recommends that to create intention to stay, the satisfaction and organisational commitments should be moderated. Moreover, for satisfaction of retention strategies, all strategies must be equally taken care.
The study found that compensation strategies have the least influence on the satisfaction followed by growth strategies. Relationship strategy has the more influence followed by support strategy. This recommends that the compensation strategy though have an influence, it is not the only benefit an employee is looking for. A better relationship or support can give more satisfaction. Mentoring has a good effect on the satisfaction. Mentoring is spoken about in leadership and employees need to be made to look for mentors. This also can be supplemented by making the workplace attractive with less organisational politics and matured workforces. An employee when he has subordinates to whom he can look up to and get motive will love to stay in the organisation. Similarly providing resources is an important requirement in workplace strategies. Many times an employee is stressed because he does not have adequate resources and capacity to face the situational demand. When employees are in stress, their satisfaction level and intention to stay will come down. Employees need to be provided with resources that are required for him to execute the task. Resources in terms of soft skills are also required by employees. Employees need to be trained and motivated to face challenging situations and these events need to be taken as opportunities. Therefore, job flexibility, expectations of more performance, fitting the task and person, empowerment, encouraging creativity, job responsibilities and allowing individual employees to excel are some support strategies that organisations can consider against just providing compensation and growth as retention strategies. These activities will reflect the motivation theories such as hygiene theory and X and Y theory.

The path analysis of the study provides some recommendations in terms of the influence of different factors in a real-time situation. First, the satisfaction on retention strategies is seen to be influenced by the
retention strategies identified and included for the study only to an extent of 79.3%. This reveals that there can be some more strategies that may lead to satisfaction. There is a need to explore and identify the retention strategies by personally talking to the individuals. Organisations should first identify and value the employees who are assets to the organisation. Their needs can be personally identified and fulfilled. Therefore organisations should not only focus on common retention strategies, rather they can identify individual needs. The path analysis revealed that organisational commitment as a moderator has less effect on intention to stay. However, the exploration of the model reveals that the organisational commitment mediates the satisfaction into intention to stay. Therefore, along with retention strategies, organisations should also look at creating affection toward the organisation among the employees. Uniforms, prayer, corporate slogans, etc can make a meaning in employee’s attachment to the organisation. Normative commitment suggests that employees should feel difficulty in finding a better organisation than the current one. This may postpone their quitting in spite of the retention strategies. Organisational commitment is found rather going along with retention strategies, they amplify the effect of retention strategies on the intention to stay.

Growth strategies and compensation strategies are seriously looked at by employees at the middle age. This may be because of the family life cycle and the needs. Employee’s intention to stay is influenced by their financial needs. Some organisations, which have a strict pay structure, help these employees through interest free loans for children’s education, marriages or buying house etc. Certain organisations voluntarily develop schemes apart from social security supports to hold employees with the organisation. Employee’s cooperative schemes, thrift deposits, project teams etc force employees to continue.
Relationship strategy, support strategy, growth strategies, compensation strategies, continuance commitment and intention to stay vary among the groups with different years of service. Therefore, retention strategies need to be varied with experience. Studies show that one in three retired employees continue working. In addition, the study found that educational qualifications do not vary the satisfaction on retention strategies, organisational commitment and intention to stay. People with all educational background are similar in the connection of intention to stay being influenced by organisational commitment and satisfaction on retention strategies. A similar finding of marital status also recommends that an employee whether he is single, married or separated looks seriously towards continuing with the organisation based on his satisfaction and commitment. The family stature does not influence the attitude.

Intention to stay is found to be low with people who come in shifts other than the day shifts. Therefore, rotations of shifts or incentive for night shifts need to be more attractive. The frontline staffs are the ones who really are perceived to do meaningful contributions. However, the other employees are also involved in meaningful contributions. Therefore, retention strategies need to make all the employees feel that they are contributing. The continuance commitment and intention stay is found to vary for different job ranks. Therefore, customised retention strategies need to be designed for different job ranks.

There is a difference in the work environment, support strategy, growth strategy and compensation strategy between men and women. There is still discrimination among men and women in work places by paying lesser salary than men, more opportunity of promotion provided only to men, work environment conducive only to men and support being
provide mostly to men. Retention strategies should be focused equally on men and women.

5.4 CONTRIBUTION TO KNOWLEDGE

This study has pooled the retention strategies in healthcare from an extant source of literature and has validated. A new construct motivation for meaningful contributions as one of the retention strategies is added. The conceptual model developed from the reviews of literature in which the organisational commitment was proposed as a moderating variable to the satisfaction leading to intention to stay. However, the research has proved that the organisational commitment mediates the relationship between the satisfaction and intention to stay. This recommends that organisations will have to develop organisational commitment in terms of affective, normative and continuance commitment in order to amplify the effects of the retention strategies. The study highlights that apart from planning and providing the retention strategies that satisfy the healthcare workers, the organisations should create interventions to make an emotional attachment of the employees through affective commitment and as well create an environment such that their normative commitment is also developed. The contribution of the study is the validated model as provided in the Figure 5.1.
5.5 CONTRIBUTION TO PRACTICE

To practice, the research contributes by highlighting the retention strategies relevant to the healthcare workers. The study identifies what strategy really creates satisfaction in the healthcare employees. In addition, the research informs the healthcare managers that just focusing on the retention strategies that create satisfaction, communication of them and creating an affective and normative commitment will increase the results of the retention strategies. The study again reiterates that compensation is not the only motivating factor. Relationship, growth and support are also equally important. The study also conveys to the practitioners how to develop retention strategies by making employees feel that there is a meaningful contribution done by them. The organisation can
build this by communicating the world the deeds of the employees in various aspects such as patient care, environmental and nation building.

5.6 LIMITATIONS

The study is confined to NABH accredited hospitals in Bangalore only. The study did not consider other hospitals due to the lack of proper structure leading to HR policies and retention strategies in place. Some respondents refused to give complete information because of the sensitive nature of the study, which posed questions like the intention to quit. Employee feared that information will not be anonymous and the responses will be known by the hospital management in spite of assuring confidentiality of the information provided. Managers also refused to reveal some confidential matters. Because of the respondents’ reluctance to give their open level of satisfaction, the bias in responses can pose a significant effect on the results obtained in this study. Methodological limitations like use of self-administered questionnaire might increase response bias. Due to time and resource constraints like cost and travelling might restrict the geographical coverage and number of hospitals.

5.7 FUTURE DIRECTIONS

In this study, intention to stay is explained by satisfaction on retention strategies only to a moderate extent. Zaghoul, Al-Hussaini, & Al-Bassam (2008) argued that the anticipated turnover among nurses or can result from a variety of factors beyond satisfaction such as spouse transfer, pregnancy and developmental transitions. Therefore, future studies can extend by including the organisational and individual factors together. Contrarily, further studies can have individual factors as moderating or mediating variable and find if organisational factors are
unaffected by the differences in individual factors. This study measured the extent of various retention strategies available in the healthcare units and if the employees were satisfied with them. There can be a gap between the availability of the strategic activity and the employee satisfaction in terms of how effectively they are being implemented or practiced. Therefore, studies can investigate the effectiveness of the retention strategies. Even though managers are aware of the various retention strategies specific to their industry, why some do not practice them? Research can address the constraints and challenges in implementing the retention strategies. This study measures satisfaction as outcome by extent of retention strategies. However, how each retention strategies perform is not known. Studies by an in depth investigation like case study can understand the success and failure of specific retention strategy.

5.8 CONCLUSION

This study has identified key findings related to the retention of human resources in healthcare sector in India, where attrition rate of healthcare employees are more due to several reasons. The retention strategy needs attention because of the rising demand for healthcare and the change in the people’s expectations how it is delivered. Therefore, retention of quality workforce is the utmost need for the sector. This study done among the employees from a sample of NABH accredited hospitals revealed that intention to stay is influenced by the satisfaction in the retention strategies. In addition, the study highlights the retention strategies that really create satisfaction among employees. Many recommendations are made to the managers with the aim of retaining the workforce and ensuring its longevity. Contribution of the study in terms of knowledge and practice is highlighted.