CHAPTER 3: RESEARCH METHODOLOGY AND DESIGN

Chapter Overview

This chapter starts with a discussion on need for research and the objectives of the study. This is followed by the discussion on research design and the methodology followed. Next, it presents the research constructs and items, research instrument development process, reliability and validity issues, and then discusses the sampling procedure and data collection. The research hypotheses considered for the study are mentioned. The chapter concludes with a brief overview of the method of analysis as well as the limitations of the study.

3.1 Need for Research

The present study was deemed as desirable due to several reasons as elucidated below:

- An extensive literature review in the field of employee turnover in organizations reveals that most of the studies have been undertaken in the context of business organizations. There is not much research work carried out in the context of non-profit organizations. Thus, it was felt that such a study would be relevant as well as timely, considering the growing problem related to employee turnover and retention in the non-profit sector.

- Moreover, most of the existing studies on employee turnover and retention in the non-profit sector have been carried out in the Western context. The researcher did not come across any Indian study that comprehensively investigates the issue of employee turnover and retention in the context of non-profit organizations.

- The researcher did not come across any Indian study that investigates the reasons as to what factors attract employees to join a non-profit organization and what factors become the cause for the same set of employees to leave the organization. Thus, a need was felt to take up both the issues for investigation in one study.

- By studying the factors that attract employees to join an organization in the non-profit sector and the factors that lead to employees leaving the same, it
is intended that the study will help in developing unified strategies exclusively for non-profit sector. This will help in attracting and retaining the talents required to effectively run such organizations.

3.2 Research Objectives

The primary objective of the study is:

*To investigate the perception of employee in the non-profit sector on the importance of Job Attractiveness Factors (i.e., Hygiene, Motivation and Mission Attachment factors) and Employee Turnover Factors (Job Content and Job Context).*

The primary objective can be broken down into three categories of sub-objectives.

**Category I: Investigating the factors that attract an employee and factors that cause employee turnover in non-profit organizations:**

- To investigate the perception of employees on factors that attract one to join an organization in the non-profit sector.
- To investigate the perception of employees on factors that may lead to leaving an organization in the non-profit sector.

**Category II: To assess differences on Job Attractiveness factors and Employee Turnover factors vis-a-vis employee and organizational characteristics**

- To assess differences in perceptions of employees on *Job Attractiveness factors* and *Employee Turnover factors* on the basis of **gender**.
- To assess differences in perceptions of employees on *Job Attractiveness factors* and *Employee Turnover factors* on the basis of **age**.
- To assess differences in perceptions of employees on *Job Attractiveness factors* and *Employee Turnover factors* on the basis of **designation level**.
- To assess differences in perceptions of employees on *Job Attractiveness factors* and *Employee Turnover factors* on the basis of **experience in present position**.
• To assess differences in perceptions of employees on \textit{Job Attractiveness factors} and \textit{Employee Turnover factors} on the basis of \textbf{overall experience}.

• To assess differences in perceptions of employees on \textit{Job Attractiveness factors} and \textit{Employee Turnover factors} on the basis of \textbf{size of organization}.

• To assess differences in perceptions of employees on \textit{Job Attractiveness factors} and \textit{Employee Turnover factors} on the basis of the organization’s \textbf{country of origin (Indian or Foreign)}. 

\textbf{Category III: To establish association between \textit{Job Attractiveness factors} and \textit{Employee Turnover factors} with those employee and organizational characteristics on which significant differences were observed.}

\textbf{3.3 Research Measures and Instrument Development}

The study was carried out using a questionnaire as an instrument for research. The measures of the study and the instrument were developed on the basis of a comprehensive review of literature. The process of instrument development encompasses various stages from identification of constructs/items from the literature, identifying the information that is needed, wording, sequence and structuring of questionnaire items, development of draft questionnaire and pilot testing (Churchill & Iacobucci, 2002; Hair \textit{et al}. 1998; Malhotra & Dash, 2011). The issue of validity associated with the questionnaire development also needs to be addressed during this process.

The present research followed the guidelines and steps recommended by the above researchers for identification of measures and development of questionnaire. The process followed in this study is described below, and Exhibit 3.1 illustrates the five stages of questionnaire development.
Exhibit 3.1 Stages of Research Instrument Development

**Stage-1: Identification of measures/constructs from literature**

On the basis of an extensive literature review, research constructs and items were identified. Since the purpose of the study was to identify factors that attract employees to join an organization and factors that may lead to turnover intention, a comprehensive survey of the literature in the area was done to uncover those factors.

**Job Attractiveness Factors**

A number of studies on employee retention and turnover have explored as to what attracts an employee to an organization. A study by Boxall et al (2003) in New Zealand confirmed the view that motivation for job change is multidimensional and that no one factor can explain it. Griffeth et al. (2000) have concluded from their studies that when high performers receive inadequate remuneration/rewards, they look out for alternative employment. This implies that good remuneration and benefits do attract an employee to join another organization. Aggarwal and Bhargava (2009) have investigated how aspects of compensation strategies are
related to various key organizational variables such as psychological contract, affective organizational commitment, and turnover intention. In today’s competitive world it is not only difficult to recruit skilled workers but also to retain them. Today’s high-performing employees are looking for more than compensation packages and benefits. More specifically, what the employees nowadays are looking for is interesting work, employer flexibility, feeling valued, having training and advancement opportunities which therefore, become the major factors influencing their decision to change jobs (Cunningham, 2002). Nagaraj (1999) noted that organizations are trying many innovative ways to attract employees to workplace, be it multi-cuisine spread provided at the office, or a multi-gym right at the office premises, or a small crèche where female employees could safely leave their young ones while they work.

Various job related factors such as job content, career growth, respect and recognition, responsibility and independence in decision making are important to attract an employee (Brown & Yoshioka, 2003; Light, 2002; Moon, 2004). Certain other factors related to working conditions such as job security, take home salary, benefits & location of place of work etc. become factors for attraction (Hilhorst & Scmiemann, 2002; Mason, 1996; Moon, 2004; Rose-Ackerman, 1996).

In the context of job attractiveness, the two factor theory propounded by Herzberg et al. (1959) is considered as a landmark theoretical framework. Herzberg et al. (1959) proposed the two-factor theory or the motivator-hygiene theory to explain what satisfies an employee. According to this theory, there are some job factors that result in satisfaction while there are other job factors that prevent dissatisfaction. According to Herzberg et al. (1959), the opposite of ‘Satisfaction’ is ‘No satisfaction’ and the opposite of ‘Dissatisfaction’ is ‘No Dissatisfaction’.

Herzberg et al. (1959) classified these job factors into two categories:

**Hygiene Factors:** Hygiene factors are those job factors which are essential for existence of motivation at workplace. These do not lead to positive satisfaction for long-term. But if these factors are absent or if these factors are non-existent at workplace, then they lead to dissatisfaction. In other words, hygiene factors are those factors which when adequate/reasonable in a job, pacify the employees and do not make them dissatisfied. These factors are extrinsic to work. Hygiene factors
are also called dissatisfiers or maintenance factors as they are required to avoid dissatisfaction. These factors describe the job environment scenario. The hygiene factors symbolize the physiological needs which the individuals want and expect to be fulfilled. Hygiene factors include:

- **Pay** - The pay or salary structure should be appropriate and reasonable. It must be equal and competitive to those in the same industry in the same domain.
- **Company policies and administrative policies** - The company policies should not be too rigid. They should be fair and clear.
- **Fringe benefits** - The employees should be offered health care plans, benefits for the family members, employee help programmes, etc.
- **Physical working conditions** - The working conditions should be safe, clean and hygienic. The work equipments should be updated and well-maintained.
- **Status** - The employees’ status within the organization should be maintained and respected.
- **Interpersonal relations** - The relationship of the employees with his peers, superiors and subordinates should be appropriate and acceptable.
- **Job Security** - The organization must provide job security to the employees.

**Motivator Factors:** According to Herzberg *et al.* (1959), the hygiene factors cannot be regarded as motivators. The motivational factors yield positive satisfaction. These factors are inherent to work. These factors motivate the employees for a superior performance. These factors are called satisfiers. These are factors involved in performing the job. Employees find these factors intrinsically rewarding. The motivators symbolize the psychological needs that are perceived as an additional benefit. Motivational factors include:

- **Recognition** - The employees should be praised and recognized for their accomplishments by the managers.
- **Sense of achievement** - The employees must have a sense of achievement. This depends on the job. There must be a fruit of some sort in the job.
- **Growth and promotional opportunities** - There must be growth and advancement opportunities in an organization to motivate the employees to perform well.

- **Responsibility** - The employees must hold themselves responsible for the work. The managers should give them ownership of the work. They should minimize control but retain accountability.

- **Meaningfulness of the work** - The work itself should be meaningful, interesting and challenging for the employee to perform and to get motivated.

A number of researchers have investigated Herzberg et al.’s (1959) framework empirically. Ewen et al. (1966) used the theory for analyzing employee’s satisfaction. Maidani (1991) used the two factor theory for comparing the job satisfaction amongst employees of public and private sectors. In another study, this theory was used for studying business student satisfaction (Oscar et al., 2005). Neil (1981) deployed the theory of Herzberg et al. (1959) to study consumer satisfaction.

Thus, the above given two-factor theory served as the basis for determining the measures related to *Job Attractiveness*. In addition to the hygiene and motivation factors, mission attachment factor were also identified as an important component of job attractiveness in the context of non-profit sector.

**Mission Attachment Factors:** A number of studies have revealed that *Mission Attachment Factors* such as reputation of organization, opportunity to make a difference in the lives of others & mission of the organization are most effective in attracting an employee to a non-profit organization (Angelica, 2001; Drucker, 1990; Garner, 1989; Glasrud, 2001; Jeavons, 1994; Kristof, 1994; Mason,1996; O’Reilly et al, 1991; Rose-Ackerman, 1996).

Since the study was exclusively meant for non-profit sector, it was considered important to include such additional factors as are considered extremely important for attracting employees to join organizations in this sector. Following important factors have been identified under this category:

- Mission of the organization (Brown & Yoshioka, 2003; Kim, 2007)
- Opportunity to make a difference in the lives of others (Ban & Drahnak-Faller, 2003)
- Reputation of organization (Hieronimus, et al, 2005; Kim, 2007)

**Employee Turnover Factors**

A number of studies on employee turnover have explored reasons as to what causes an employee intending to leave his/her organization. Several studies (e.g. Iverson & Buttigieg, 1999; Meyer & Allen, 1991; Meyer & Smith, 2000; Mowday *et al.*, 1982; Mueller & Price, 1990) have found that a number of work-related factors determine job satisfaction among employees. Griffeth *et al.* (2000) had another interesting observation that high performers look for alternative employment when they perceive their remuneration to be inadequate.

O’Leary and Deegan (2005) and Stalcup and Pearson (2001) found that causes of turnover include limited career and financial advancement, organizational climate, and work–family conflict. Stalcup and Pearson (2001) studied turnover in hotel industry and observed that long working hours and regular relocation are additional reasons for turnover in that industry, although participants in their study emphasized that the primary concern regarding work time was not having to spend too much time on work, but not having enough time to spend with family. Other variables that cause employee turnover include work stress (Ramrup & Pacis, 2008) and heavy workloads.

Employee perceptions regarding the family supportiveness of their organization also become reasons to leave the organization (Allen, 2001; Altarawmneh and Al-Kilani, 2010; Anderson *et al.*, 2002) examined the impact of human resource management (HRM) practices on employees’ turnover intentions. The employees have a tendency to change their job when they have poor supervision (Keashly & Jagatic, 2000), do not receive adequate or relevant training (Poulston, 2008) and most important of all, low wage (Martins, 2003). Abdul Rahman *et al.* (2008) reported that availability of alternative job opportunities had significant positive impact on turnover intentions. Thompson *et al.* (1999) and Glance *et al.* (1997) studied the relationship between turnover and productivity and reported that lower turnover rate is definitely correlated with productivity.
A study of staff turnover in the context of non-profit organizations conducted in American NPO revealed that the causes of staff turnover are a combination of factors. Family problems, poor leadership, dissatisfaction with the job, better opportunity in other organizations, dissatisfaction with the area, and educational opportunity are some of the causes (Debebe, 2007). A study of turnover by Boxall et al. (2003) in New Zealand confirmed the view that motivation for job change is multidimensional and that no one factor can explain it.

Based on the above studies, employee turnover factors were identified so as to be included in the present study. These factors were classified into a framework of Job Context and Job Content factors as propounded by Randall et al. (1983).

**Job Content** factors are those factors for which the individual is responsible. In other words, those factors that are internally controlled such as achievement, responsibility and the quality of work itself are termed as job-content factors.

**Job Context** factors are those factors, which are externally controlled – that is the organization is responsible for controlling those factors. Such factors include job security, salary, benefits, promotions etc.

This framework has been used by many researchers in studies conducted earlier (e.g. Armstrong, 1971; Baba & Jamal, 1991). Interactive effect of job content and context factors on the reactions of layoff survivors, has been explored by Brockner et al. (1993).

**Demographic and Organizational Variables**

Demographic and organizational variables have been frequently used in studies on employee turnover (Price, 1995). Researchers have explored a number of such demographic dimensions for example gender, marital status, age, qualification, annual income and experience in studies on employee retention and turnover (e.g. Carbery et al. 2003; Cetin, 2006; Khatri et al., 2001; Saiyadain, 1998). At the same time, a number of studies on employee turnover have also explored demographics. Arnold et al. (1982) in a study on employee turnover had found that turnover was significantly influenced by age, tenure, job satisfaction, organizational commitment, and job security. Mobley et al. (1979) noted that age, tenure, overall satisfaction, job content, intentions to remain on the job and commitment were all
negatively related to turnover. Khatri et al. (2001), in a study on employee turnover, used three groups of factors influencing employee turnover, and the first group viz., demographic factors included age, gender, education, tenure, income level, managerial and non-managerial positions.

Apart from demographic and personal factors, researchers have also explored the role of organizational factors in retention and turnover. Mano-Negrin and Kirschbaum (2000) indicated that turnover is affected by organizational size. They suggest that organizational size impacts turnover primarily through wage rates but also through career progression paths. A number of researchers have also identified work related factors, personal characteristics and external factors as determinants of employee turnover tendency (Wotruba & Tyagi, 1991). Salamons (1998) noted that there is a problem of turnover among the humanitarian organizations. Variation exists among occupation, gender, field versus head office or national and expatriate staff.

Based on the existing studies, the following demographic and organizational factors were chosen for this study, in order to compare perceptions on Job Attractiveness and Employee Turnover factors:

1. Age
2. Gender
3. Designation level
4. Experience in current position
5. Total experience
6. Nationality (country of origin) of the organization
7. Size of organization

**Stage-2: Wording of questionnaire items**

Once the research constructs were identified, items were carefully selected in order to capture the substantive content of the constructs. Based on the studies reviewed (e.g. Cunningham, 2002; Galbreath, 2007; Heathfield, 2008; Herzberg et al., 1959; Hieronimus, et al., 2005; Ramlall, 2003 among others), items were identified for each of the study measures.
Selecting question wording is the most critical part of the questionnaire development process. Poorly worded and ambiguous questions can create confusions and also increase non-response (Huselid & Becker, 2000; Malhotra & Dash, 2011). Researchers should design the questionnaire items that capture the specific substance of the component being assessed (Arthur & Boyles, 2007). Thus, care was exercised to keep the items simple, specific and objective. Relevant content of the items was determined to ensure that every item included in the questionnaire contributed to the information required.

**Stage-3: Development of draft questionnaire and scaling technique**

After the questions were worded, a preliminary draft of the questionnaire was prepared. The questionnaire had three parts viz. items related to job attractiveness, followed by items related to employee turnover and finally demographic and company information.

For all the items, except demographic and company profile, the instrument utilized a 5-point Likert scale anchored with end points labeled as *Very Important* (5) to *Not Important* (1). Malhotra and Dash (2011) noted that Likert scale has several advantages. It is easy to construct and administer. Respondents readily understand how to use the scale, making it suitable for mail, telephone or personal interviews. Dawes, (2008) noted that a five or seven-point scale is likely to produce slightly higher mean scores relative to the highest possible attainable score, compared to that produced from a ten-point scale. Wilbur and Martha (1968) found 5-point Likert scale to be highly satisfactory, and has been used widely in psychology and social science research.

**Stage-4 : Modification in draft questionnaire based on focussed group discussions**

Once the draft questionnaire was prepared by designing items/questions for each of the identified factors, the next logical step was to determine the validity of the draft questionnaire so developed. At this stage it could be done in two ways, *Content Validity* and *Face Validity*. An instrument is said to have content validity if its items representatively sample the domain of the concept it is intended to measure.
i.e. the items sufficiently span the scope of the construct. Inadequate content validity would indicate that the items in an instrument do not properly measure the construct (Fayers & Machin, 2002; Haynes et al., 1995).

There is no formal prescribed statistical test for content validity, and hence it is important that researcher judgment and insight is applied (Garver & Mentzer, 1999). Despite the plethora of measures for these constructs, researchers may need to create their own measure for a particular study (Doris et al., 2003). Bohrnstedt and Felson (1983) noted that if items corresponding to various constructs of an instrument are derived through a comprehensive analysis of relevant literature and discussed with experts, content validity can be ensured. Face validity is closely related to content validity. This judgment is made on the ‘face’ of the test (Mosier, 1947). While face validity relates to whether a test appears to be a good measure or not, content validity indicates that a scale is assessing all domains of a certain criterion (Ahmad & Schroeder, 2003). Face validity is a characteristic of tests that can be validly and reliably measured (Baruch, 1985).

Ahmad & Schroeder (2003) suggested that face validity of the questionnaire can be ensured by having other researchers in the area review the questionnaire items and guess what the questionnaire items were intended to measure. This was done by taking the help of two senior researchers/academicians in the area. The process helped in validating the instrument and ensuring that the questionnaire appeared logical and easy to understand.

In order to collect the items for the questionnaire, both on the Job Attractiveness factors and Employee Turnover factors, focus group discussions were held with HR Heads/ HR Managers of 11 non-profit organizations. Focus group discussions were held in a seminar that was facilitated by the researcher with this group, giving them the background of research work. Through the discussions, all members based on their experience had identified the factors that in their view were important for attracting employees to non-profit sector, and what factors according to them caused the employees to leave. Additionally, interviews were held with CEOs (as key informants) of 3 non-profit organizations to confirm these factors.

The large number of factors suggested through the above process were tabulated and compared with the list of factors prepared through literature survey (as
described later in section 3.5.2) and a few modifications were made to the draft questionnaire. This helped in ensuring content validity of the questionnaire.

**Stage-5 : Pilot testing and finalization of questionnaire items**

The important purpose to be served by the questionnaire, the obstacles in the way of a large return, the heavy cost of the investigation, and the uncertainty of its feasibility makes it imperative to determine in advance whether a high proportion of returns could be obtained under these conditions, and how this proportion could be increased (Raymond, 1940).

Pilot testing is a very important step in survey research. It is an absolutely necessary step to ensure that all kinds of errors which are associated with survey research are reduced. It helps in improving the quality of data significantly. Pilot testing is done on a small sample of respondents from the target population (Grimm, 2010). Van Teijlingen and Hundley (2001) noted that the term 'pilot studies' refers to mini versions of a full-scale study (also called 'feasibility' studies), as well as the specific pre-testing of a particular research instrument such as a questionnaire or interview schedule. Pilot studies are a crucial element of a good study design. Conducting a pilot study does not guarantee success in the main study, but it does increase the likelihood.

Pilot studies fulfill a range of important functions and can provide valuable insights for other researchers. The purpose of the pre-test is to check whether the ideas in each question are clear to respondents. The pilot study should be piloted with a reasonable sample of respondents who come from the target population and a pilot study of 30 respondents is common (Cavana et al., 2001).

As a pilot phase, the draft questionnaire was administered to 30 employees belonging to different designation levels in one of the leading international NPO having large scale operations in India. The pilot test respondents were asked to fill in the questionnaire and in addition provide their general comments on the instrument. Based upon the pilot testing, the questionnaire was refined by rewording a few items, so that the questions were representative of the intended constructs, thus enhancing its content validity.
Some of the changes made to the draft questionnaire as a result of pilot study are as follows:

1. Section I (Job Attraction Factors) contained 13 questions and Section II (Employee Turnover Factors) contained 11 questions. Based on feedback additional questions were added (Q 12 to 15 in Section I and Q 14 to 15 in Section II). [Refer to Questionnaire in Appendix - 1]

2. A brief description of each factor was included in the item.

3. Many of the participants did not want to reveal their identity and therefore in the demographic information, name of respondent was removed, and name of organization was made optional.

Thus, based on modifications incorporated at each of the above mentioned stages, the questionnaire was given its final shape. A thorough and rigorous instrument development exercise was carried out to increase the response rate and reduce non-response bias. Focus group and pilot testing helped in further enhancing face and content validity of the scale.

Items used to measure the research constructs have been used by earlier studies too, as referred below. The final questionnaire after modifications at each stage included the following items:

**Job Attractiveness Factors**: Items used for measuring *Job Attractiveness* are:

**Hygiene Factors**


3. Attractive benefits (Cunningham, 2002; Heathfield, 2008; Watson Wyatt, 2007)

4. Location of office (Ramlall, 2003)
Motivator Factors

1. Nature of tasks and their importance (Cunningham, 2002).
2. Career development (Cunningham, 2002; Galbreath, 2007; Heathfield, 2008; Hieronimus et al., 2005)
3. Respect & recognition (Campbell, 2004; Heathfield, 2008; Rowh, 2008; Saikia, 2003)
4. Empowerment (Kaye, 2005)
5. Challenges (Ban & Drahnak-Faller, 2003; Galbreath, 2007)
6. Training & development (Campbell, 2004; Cunningham, 2002; Heathfield, 2008)
8. Publicity / Celebration of staff achievements (Heathfield, 2008).

Mission Attachment Factors

1. Reputation of organization (Hieronimus et al., 2005; Kim, 2007)
2. Opportunity to make a difference in the lives of others (Ban & Drahnak-Faller, 2003)

Employee Turnover Factors: Following items were identified to measure factors that may cause employee turnover:

Job Context Factors

1. Lack of trust in senior management (Tate & White, 2007)
2. Work-Life balance (Campbell, 2004; Cunningham, 2002; King, 2008)
3. Inadequate emphasis on teamwork (Heathfield, 2008; Rowh, 2008; Tate & White, 2007)
4. Lack of recognition (Campbell, 2004; Heathfield, 2008; Saikia, 2003)
5. Salary (Ban & Drahnak-Faller, 2003; Heathfield, 2008)
6. Ineffective leadership (Tate and White, 2007)
7. Too long of a commute (Ramlall, 2003)
8. Lack of career advancement opportunities (Heathfield, 2008; Saikia, 2003)
10. Lack of humour and fun at workplace (Heathfield, 2008; Hieronimus, et al., 2005; Jared, 2008)

**Job Content Factors**

1. Lack of challenge and opportunity (Ban & Drahnak-Faller, 2003)
2. Inadequate opportunities for training and development (Campbell, 2004)
3. Low overall job satisfaction (King, 2008; Porter & Steers, 1973)
4. Lack of involvement in decisions affecting staff (Heathfield, 2008; Kaye, 2005)
5. Inadequate opportunities to perform variety of roles (Tate & White, 2007)

### 3.4 Research Hypotheses

Different sets of hypotheses were framed keeping the study objectives in mind.

To assess differences on various study variables (constructs) vis-a-vis organizational characteristics and employee characteristics.

In order to carry out the research, hypotheses were developed for each of the research constructs (three constructs under Job Attractiveness and two constructs under Employee Turnover Factors) vis-a-vis the organizational and employee characteristics such as Gender (comparison of Males and Females), Present Experience (comparison based on number of years worked in the present position), Total Experience (comparison based on total number of years worked), Nationality (comparison based on country of origin, i.e., Indian and Foreign organization), Age, Designation Level and Size (Number of employees in the organization).
Accordingly, the following hypotheses were considered:

**On the Basis of Gender (Males and Females)**

Differences among the mean scores of various study variables on the basis of gender of the respondents were assessed. Following are the hypotheses related to the gender of respondents:

\[ H_01: \] There is no significant difference in the mean scores of Hygiene factors (HYG) between male and female employees.

\[ H_02: \] There is no significant difference in the mean scores of Motivational Factors (MOT), between male and female employees.

\[ H_03: \] There is no significant difference in the mean scores of Mission Attachment Factors (MAT), between male and female employees.

\[ H_04: \] There is no significant difference in the mean scores of Job Context Factors (COXT), between male and female employees.

\[ H_05: \] There is no significant difference in the mean scores of Job Content Factors (CONT), between male and female employees.

**On the Basis of Experience in Present Position (Low & High)**

Differences among the mean scores of various study variables on the basis of experience in present position of the respondents were assessed. Following are the hypotheses related to the present experience of respondents:

\[ H_06: \] There is no significant difference in the mean scores of Hygiene Factors (HYG) between low and high level of experience in present position.

\[ H_07: \] There is no significant difference in the mean scores of Motivational Factors (MOT) between low and high level of experience in present position.
$H_08$: There is no significant difference in the mean scores of Mission Attachment Factors (MAT) between low and high level of experience in present position.

$H_09$: There is no significant difference in the mean scores of Job Context Factors (COXT) between low and high level of experience in present position.

$H_010$: There is no significant difference in the mean scores of Job Content Factors (CONT) between low and high level of experience in present position.

**On the Basis of Total Experience (Low & high)**

Differences among the mean scores of various study variables on the basis of total experience of the respondents were assessed. Following are the hypotheses related to the total experience of respondents:

$H_011$: There is no significant difference in the mean scores of Hygiene Factors (HYG) between low and high level of total experience.

$H_012$: There is no significant difference in the mean scores of Motivational Factors (MOT) between low and high level of total experience.

$H_013$: There is no significant difference in the mean scores of Mission Attachment Factors (MAT) between low and high level of total experience.

$H_014$: There is no significant difference in the mean scores of Job Context Factors (COXT) between low and high level of total experience.

$H_015$: There is no significant difference in the mean scores of Job Content Factors (CONT) between low and high level of total experience.

**On the Basis of Country of Origin (Indian & Foreign)**

Differences among the mean scores of various study variables on the basis of nationality or country of origin of the organizations of the respondents were assessed. Following are the hypotheses related to the gender of respondents:
\( H_{016} \): There is no significant difference in the mean scores of Hygiene Factors (HYG), between organizations based in India and based in other countries.

\( H_{017} \): There is no significant difference in the mean scores of Motivational Factors (MOT) between organizations based in India and based in other countries.

\( H_{018} \): There is no significant difference in the mean scores of Mission Attachment Factors (MAT), between organizations based in India and based in other countries.

\( H_{019} \): There is no significant difference in the mean scores of Job Context Factors (COXT), between organizations based in India and based in other countries.

\( H_{020} \): There is no significant difference in the mean scores of Job Content Factors (CONT), between organizations based in India and based in other countries.

**On the Basis of Age (Various age bands)**

Differences among the mean scores of various study variables on the basis of age of the respondents were assessed. Following are the hypotheses related to the age of respondents:

\( H_{021} \): There is no significant difference in the mean scores of Hygiene factors (HYG) between employees in various age bands.

\( H_{022} \): There is no significant difference in the mean scores of Motivational Factors (MOT) between employees in various age bands.

\( H_{023} \): There is no significant difference in the mean scores of Mission Attachment Factors (MAT) between employees in various age bands.

\( H_{024} \): There is no significant difference in the mean scores of Job Context Factors (COXT) between employees in various age bands.

\( H_{025} \): There is no significant difference in the mean scores of Job Content Factors (CONT) between employees in various age bands.
On the Basis of Designation Level (Non-Executive, Junior, Middle and Senior level)

Differences among the mean scores of various study variables on the basis of designation level of the respondents were assessed. Following are the hypotheses related to the designation level of respondents:

\( H_{026} \): There is no significant difference in the mean scores of Hygiene Factors (HYG) between junior, middle and senior levels.

\( H_{027} \): There is no significant difference in the mean scores of Motivational Factors (MOT) between junior, middle and senior levels.

\( H_{028} \): There is no significant difference in the mean scores of Mission Attachment Factors (MAT) between junior, middle and senior levels.

\( H_{029} \): There is no significant difference in the mean scores of Job Context Factors (COXT) between junior, middle and senior levels.

\( H_{030} \): There is no significant difference in the mean scores of Job Content Factors (CONT) between junior, middle and senior levels.

On the Basis of Size of Organization (Small, Medium, Large and Very large)

Differences among the mean scores of various study variables on the basis of size of organization of the respondents were assessed. Following are the hypotheses related to the size of organization of respondents:

\( H_{031} \): There is no significant difference in the mean scores of Hygiene Factors (HYG) between small, medium, large and very large organizations.
\textbf{H}_0\textbf{32}: There is no significant difference in the mean scores of Motivational Factors (MOT) as important to attract an employee to join a Non-Profit organization, between small, medium, large and very large organizations.

\textbf{H}_0\textbf{33}: There is no significant difference in the mean scores of Mission Attachment Factors (MAT) between small, medium, large and very large organizations.

\textbf{H}_0\textbf{34}: There is no significant difference in the mean scores of Job Context Factors (COXT) between small, medium, large and very large organizations.

\textbf{H}_0\textbf{35}: There is no significant difference in the Job Content Factors (CONT) between small, medium, large and very large organizations.

\subsection*{3.5 Research Design and Methodology}

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure (Selltiz \textit{et al.}, 1962). It is a conceptual structure within which research is conducted; it constitutes the blueprint for the collection, measurement and analysis of data. Decisions regarding what, where, when, how much, by what means concerning an inquiry or a research study constitute a research design (Kothari, 2010). It details the procedures necessary for obtaining the information needed to structure or solve research problems. Studies aimed at quantifying relationships are of two types: descriptive and experimental. In a descriptive study, no attempt is made to change behavior or conditions-things are measured as they are. While in an experimental study measurements are taken followed by some sort of intervention, then measurements are taken again to observe the effect of that manipulation (Malhotra & Dash, 2011).

The present study is descriptive in nature. It is based on a single cross-sectional design, as the perceptions of employees in non-profit organizations have been measured at one point in time for each individual who participated. Exhibit 3.2 provides the classification of research design followed in this research work.
Note: The shaded boxes depict the research design followed for the present research work.  

3.5.1. Sampling Procedure and Technique

Sampling is one of the components of a research design. Sampling design involves several basic questions like how should a sample be taken, what process should be followed, what kind of sample should be taken, how large it should be and what can be done to control and adjust for non response errors? (Malhotra & Dash, 2011)

In order to get feasible number of responses, a carefully thought-out sampling plan and design was followed. Exhibit 3.3 illustrates the steps in the sampling procedure adopted for the study.
Defining the Target Population

The target population is the collection of elements or objects that possess the information sought by the researcher and about which inferences are to be made. Defining the target population involves translating the problem definition into a precise statement of who should and should not be included in the sample (Malhotra & Dash, 2011). Since this study involved employee turnover and retention strategies in non-profit Organizations in India, the target population for the study were the employees of these organizations. Target population can be defined in terms of sample element or respondents, sample unit or the organizations to be targeted and further the time and extent of the study (Malhotra & Dash, 2011). Target population for this study can be defined as follows:

**Sampling Unit** - Non-profit organizations.

**Sample Elements**- Employees of non-profit organizations.

**Extent** – Non-profit organizations having operations in India

**Time of Data collection**- January to July 2012.

Determining the Sampling Frame

A sampling frame is a representation of the elements of the target population. It consists of a list or set of directions for identifying the target population (Malhotra & Dash, 2011). As per the available statistics of the Planning Commission of India, at the time of execution of this study, there were 45,500 NGOs/ Non-profit organizations (hereinafter referred to as NPOs) in India out of which 3000 were located in the capital city of New Delhi (Planning Commission of India, 2011). Most of the directories and databases on non-profit organizations in India are maintained by little-known private bodies and associations and could not be considered as very dependable. Thus, the list of the Planning Commission of India served as the sample frame of the study, as it was believed to be the most authentic database.

Selection of Sampling Technique and Sample Size

Selecting a sampling technique involves several decisions of a broader nature. (Malhotra & Dash, 2011). Sampling techniques are broadly of two types, probability sampling and non-probability sampling. Probability sampling is also known as 'random sampling' or 'chance sampling'. Under this sampling design, every item of the universe has an equal chance of inclusion in the sample. It is a sort of lottery method in which individual units are picked up from the whole group, not deliberately but by some mechanical process (Kothari, 2010). Non-probability sampling is a sampling procedure which does not afford any basis for estimating the probability that each item in the population has of being included in the sample. This type of sampling is also known as deliberate sampling, purposive sampling and judgement sampling (Kothari, 2010). The present study utilized systematic random sampling in short-listing the respondent organizations and quota sampling for selecting the sample of employees from the selected organizations.
The sampling process followed in the study has been summarized as a flow chart in Exhibit 3.4 below:

**Exhibit 3.4: Flow Chart of Sampling Process followed**

- **Stage 1**: Sampling Frame – Statistics of Planning Commission of India - 45,500 NPOs in India
- **Stage 2**: Shortlisted 3,000 NPOs located in Delhi using **judgemental sampling**
- **Stage 3**: 300 respondents for 30 items (1:10 rule)- assuming a 25% response rate- need to target 1200
- **Stage 4**: Selected 150 NPOs - picking every 20th entity using **systematic random sampling**
- **Stage 5**: Selected 8 employees from each NPO, 2 from each designation level using **quota sampling**

The rationale for the whole process is described in the following steps:

**Step-1: Selection of geographic location:** Considering the large number of organizations in the sample frame, it was a real challenge to select the right sample that would be representative of the total population in relation to the objectives of the study. India has a very vast and varied geographical expanse, and hence, it was practically not feasible or logical for the researcher to cover all the non-profit organizations in the country. Thus, geographical and logistics constraints mandated that the study be limited to only a select number of organizations located in a specified area. It was decided that only the organizations with their offices in New Delhi should be targeted for the study. On the basis of an initial survey and other available published information, it was realized that non-profit organizations with
offices in Delhi included both Indian and foreign origin organizations. They also belonged to different size segments based on number of employees and scope of operation. A preliminary comparison of these characteristics indicated that they were fairly representative of the non-profit sector in India. Cook and Ferris (1986), Dyer and Reeves (1995) and Purcell (1999) have opined that the use of multiple classifications like country of origin and size can help to generalize the findings of the study. Thus, keeping this in mind it was decided to focus the study on the non-profit organizations with their main office located in New Delhi.

**Step-2: Selection of Target Organizations:** As discussed in the previous step, total no of organizations in the final shortlisted sample frame was 3000, i.e. NPOs located in the city of New Delhi. The next stage involved selecting the number of organizations to be contacted out of this 3000 list. A number of researches have suggested that samples sizes less than 100 or with fewer than 3:1 participant-to-item ratios are generally inadequate (e.g. Reise *et al.*, 2000; Thompson, 2004; Velicer & Fava, 1998). Gorsuch (2003) has proposed a minimum of 5:1 ratio of participants to items to be adequate for further analysis. Another popular rule is that there should be more than 5 and ideally at least 10 respondents for each item in the instrument being used (Garson, 2008; Hatcher 1994; Velicer & Fava, 1998). This indicates that for every questionnaire item, there should be minimum 10 times responses to satisfy the requirement for a good statistical analysis.

The questionnaire used in the present study had a total of 30 items. Thus, keeping the above rule in mind, it was desired that a minimum of 300 responses be attained. Further, researchers have noted that low response rates are common in employee-based researches and conventional survey methodology accounts roughly 10.8% response rate (Harmon *et al.*, 2002). In Indian cultural context, surveys usually result in poor response rate (Budhwar & Sparrow, 1997). Even under best possible scenarios, response rates in such studies normally do not range beyond 20% to 25% (Budhwar, 2000; Klass *et al.*, 1999; Klass *et al.*, 2001). Thus, it was estimated that roughly 1200 employees should be contacted so as to achieve the desired 300 responses, considering the normally acceptable response rate of maximum 25%.
Hence, it was decided to target at least 1200 prospective respondents. Since the study aimed at finding out the perceptions of employees across different levels, it was then decided to target employees at each of the four levels viz., Non-Executive/Clerical, Junior, Middle and Senior management levels. Thus, two employees at each level were targeted making it a total of eight targeted employees from each company. Thus, in order to attain an initial target of 1200 as discussed above, it was deemed that in all, 150 companies be contacted, to be able to achieve that number. Thus, it was decided to contact 150 companies. The purpose was also to keep a good number of companies so as to get a broad-based survey finding. This was done because the objectives of the present study were to identify general trends in the NPO sector rather than specific company policies. Further, this argument is also validated, because use of multiple organizations can help extend the generalizability of the findings (Dyer & Reeves, 1995; Othman, 1996; Purcell, 1999).

Thus, it was decided to contact 150 companies, out of the total 3000 organizations in the sample frame. The list of organizations was randomly sorted and every 20th entity was picked up to attain a total of 150 organizations. Thus, systematic random sampling approach was adopted to select the organizations from the sample frame.

**Step-3: Selection of Target Respondents:** Based on researcher's own experience and based on focussed group discussions as well as key informant interviews as explained in previous section, it was noted that employees' attitudes vary considerably across levels. Therefore it was proposed to pick up two employees each from Non-Executive level, Junior Management level, Middle Management Level and Senior Management level, *i.e.*, 8 employees from each of the 150 chosen organizations, or, a total of 1,200 respondents. Thus, non-proportional quota sampling was used to select these eight employees from each company. This was done because exact numbers of employees in all 3000 companies in the sample frame was not known. In order to attain the desired number of responses from appropriate levels of employees, the contact with these eight employees was made through the HR Heads or Senior Managers of the targeted organizations. This was done to avoid any researcher based bias in selecting the respondent.
3.5.2 Questionnaire Administration and Data Collection

Usually low response rates are common in employee-based researches (Budhwar & Sparrow, 1977). Internet-based surveys offer great advantages over traditional mail surveys, such as lower costs, faster response, and higher quality data (e.g., Green et al., 2003; Illieva et al., 2002). Various methods were deployed by the researcher for the distribution and collection of questionnaire in order to enhance the response rate. Since the researcher works for an International NPO and is also a member of a forum of HR professionals in NPOs in New Delhi with an active e-forum, it was possible for him to personally contact all the members and have the questionnaires filled. Members of the forum were also requested to have additional questionnaires filled by staff belonging to different designation levels in their organization.

Questionnaires were also distributed and collected via e-mail, as nowadays, most of the staff are technology friendly. Researcher also used his extensive network of NPO professionals connected with him via professional online networks. Researcher also used an online survey tool. In this process, an online link to the survey was sent to the respondents via e-mail and the respondent submitted the survey online. Once the survey was submitted online, the data was retrieved in excel format and was imported to SPSS (Statistical Package for Social Sciences). Out of the total 501 responses received, 167 were obtained through this online survey website.

3.6 Method of Analysis

Descriptive statistics of the responses were generated through SPSS 18.0 version. After initial estimation of response rate, Exploratory Factor Analysis (EFA) was carried out to see if items in a scale load on one single factor. Testing of reliability and validity of measurement scales was carried out.

Research hypotheses were tested using Tests of Differences such as Independent Sample T-test (for two factors) and One Way ANOVA (for more than two factors). This was followed by Tests of Association (Chi-Square Test) between the research
constructs and demographic variables that have been found to have significant differences.

All these methods and procedures are explained in detail in Chapter 4.