

A Study on Employee Attrition and Retention Strategies in Healthcare Organizations: A Study with Reference to Bangalore City

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Abstract: Medical staff turnover rates are turning into a serious problem for medical organisations, particularly urban metros that's an ever increasing need for qualified health care workers. Higher doctor, nurse, technician and administrative staff turnover rates affect the quality of service and satisfaction of patients, and are not very conducive to organizational performance. The current study is to find out the causes of employee turnover in Bangalore city hospitals of healthcare sector and also to discuss the success in terms of employee turnover in the hospitals of healthcare sector. The focus is on the different aspects of employee turnover that include job satisfaction, work life balance, organizational culture, leadership support, workplace stress, career progression and remuneration. Descriptive and Analytical research design was used for collecting primary data by using a pre designed questionnaire from the selected hospitals and healthcare institutions and secondary data by processing and collecting from reports and published literature. The findings show that the three most common factors among employees that contribute to work turnaround are the following: Lack of compensation, Work demands, and lack of opportunities for career growth and work stress. The research also indicated that programs and resources that facilitate employees in being at their best: leadership development training, giving services that exceed the market, providing learning opportunities, celebrating employee success, and valuing employee leadership are important for employee retention. With such study findings, there is an opportunity for healthcare organizations to improve employee satisfaction and ultimately overall job performance and sustainability by implementing effective retention strategies that will reduce workforce turnover.

Keywords: Employee Attrition, Employee Retention, Healthcare Organizations, Job Satisfaction, Employee Engagement, Work-Life Balance, Compensation and Benefits, Organizational Culture, Workforce Stability, Healthcare Human Resource Management, Bangalore City.

Introduction

Healthcare is a key and fast-growing service industry, responsible for the health and well-being of society from physical, mental and social perspective. When India's population has grown, the awareness of health, technology advancement, growth of government initiatives and number of private health care institutions, the health field has had phenomenal growth. The healthy and technical aspects of South Indian economy have registered tremendous progress in its healthcare infrastructure with setting up of Multi-specialty Hospitals, Multi diagnostic centres and healthcare service providers in Bangalore city. This attentiveness to quality healthcare has resulted in an expanding demand for competent and skilled healthcare workers such as doctors, nurses, technicians, a number of pharmacists, and administration workers. In spite of this, however, other health-care companies are expanding, while health-care staff are voluntarily leaving agencies and hospitals. Wiksten said, however, another personnel issue has become a problem for health-care companies seeking to maintain efficiency and sustainability: employee turnover.

Employee attrition happens when staff retire, leave their jobs to personal circumstances of their choice, and/or resign. Resignations can be particularly concerning for many reasons in a health system: for example, talented staff members take their clinical expertise, operational capabilities and brand loyalty skills with them, and that can have significant ramifications on treatment outcomes, clinical efficiency, patient satisfaction, and reputation. What is

required of professionals in the health care industry is extremely specific, complex and technically focused, demands a high level of technical knowledge and professional skills, and requires emotional strength. Recruitment, training, lost productivity, and patient service disruption are key expenses associated with replacing such employees can be time consuming and expensive. This inevitably makes the problem of retention of staff one of the major issues confronting healthcare administrators and HR managers.

There are a number of reasons leading to staff attrition in healthcare organizations. Other common reasons the employees might be tempted to pursue other employment opportunities involve working long hours, having high levels of stress, not being paid enough, not seeing opportunities to grow, not having a work-life balance they want, not being recognized, not feeling secure about their work, and the lack of supportive work environments. The healthcare profession is a stressful one, and requires staff to work to a high level, deal with emergency scenarios and look after patients around the clock. This stressful working environment can lead to stress, physical fatigue, emotional exhaustion and reduced job satisfaction, which can potentially lead to employee turn-over. Moreover, these issues have been exacerbated by the post-pandemic health-care landscape, where there has been a growth of workload, and the need for improved employee welfare and support systems.

Employee retention, on the other hand, is retention that is basically aligned with the policies and practices of an employer who uses it to enhance the satisfaction, commitment and long term engagement of their valuable employees. For health providers, having the essential services they provide for the public depends on the ability to keep staff happy and productive – and effective retention policies make all the difference. Firms which are able to control their employees save on recruiting costs, test the organisational functionality, improve patient satisfaction and protect data and working environment at the institution. Programs such as competitive salary packages, incentives, career progression plans, employee recognition programs, flexible working hours, training, leadership training, health and wellness promotions, and strong management are examples of employee retention programs.

Considering the competitive labour market in Bangalore, the increasing growth of the healthcare sector, data analysis of employee attrition and attrition-retention in healthcare organisations is interesting in the context of the area, Bangalore city. The city has numerous hospitals comprising government hospitals, private (non-profit) hospitals, multinational healthcare service providers and several other job opportunities available for healthcare skilled workers. This progress has also led to job opportunities and severe competitive environment in order to attract or keep talents in the healthcare companies. Managers face a serious issue with workers changing jobs frequently, being poached by other companies and expecting higher salaries and career promotions. So, healthcare organizations are joining the movement of having large human resource plans that would help them secure reduced employee turnover and increased employee engagement and commitment.

The topic of the present study is "A study on Employee Attrition and Retention Strategies in Healthcare Organizations-A study with reference to Bangalore City" which aspires to find out the causes for employee attrition and subsequently different employee retention strategies adopted by healthcare organizations in Bangalore City. The purpose of this study is to determine factors affecting employee's tendency to leave organizations and to evaluate the effect of human resource practices for increasing the satisfaction level of employees and their commitment to the organizations. The findings of this study should provide health care plan creators and policy makers, as well as human resource professionals, a lot to ponder as they work through how to design a plan that will be effective in retaining staff or contribute to plan stabilization to address concerns staff may have. Healthcare services are a competitive and service-driven sector, so it is paramount to understand and handle employee turnover to maintain an organisation's sustainability, improve services and to lead the long-term health care company to success.

Literature review

Recent literature clearly shows that there are several organizational, individual and environmental factors that influence employee attrition and retention. Employee engagement, organizational culture, employees' leadership, job satisfaction and work-life balance are all factors highlighted in the research as being vital to deciding an employee's intention to leave their company.

Bolong, Latib and Ghazali (2014) studied the level of adoption of social media, particularly Facebook use and functionality, to promote employees' engagement. In fact, their research uncovered that the communication channels and platforms that are effective help boost employee interaction, help gather and coordinate efforts, and help create a sense of connectivity throughout an organization—the elements that are known to increase employee engagement and decrease attrition. The importance of the technological communication tools was emphasized for stimulating employees' commitment and better retention.

Anand (2020) analysed the practices in the area of employee engagement during the COVID-19 lockdown period and suggested some things for the employee that must be taken care of during difficult times of the organizations: Employee Well-being, Communication, Recognition and emotional support. The research revealed that organizations that engage their employees through these employee-centric initiatives can be more effective in keeping people in their organization, particularly during the challenging times and crisis.

The study conducted by Andrew & Sofian (2012) involved exploring the connection between individual factors and work outcomes of employee engagement. They determined that worker engagement had an extremely positive result on Job contentment, Organizational commitment, Productivity and Retention. The study brought up the effect of psychological commitment towards work, in which psychological commitment of the employees was found to be greater and they were less likely to think of leaving the organization.

The same can be said for a study conducted by Andrew and Saudah (2012) where they examined individual characteristics and the correlation they had to employee engagement and corporate results. Policies need to be put in place that encourage employees to take part, acknowledge and support them in their career's progression to improve employee engagement and lower staff turnover, heavily recommends the study.

Barreiro & Treglown (2020) examined the relationship between trait EI and PWE. They found that when employees are emotionally intelligent they are more engaged, have more positive relationships with others in the workplace and more commitment to the organization. Businesses could benefit from implementing an effort to incorporate emotional intelligence training programs and their satisfaction and retention of staff would improve, the researchers conclude.

To combine job satisfaction, organizational commitment and employees's turnover, Tett and Meyer (1993) developed a unified model. Through their study they concluded that employees who were satisfied with their jobs and were committed to their organizations were less likely to quit their organizations. They also concluded that employee organizational commitment had been among the biggest determinants in employee turnover and emphasized that it is a must to build the work environment of an organization to foster employee satisfaction.

Hinkin and Tracey (2000) drew a great deal on an accountabilities of service employees as well as a role of leadership in employee staying. The researchers discovered that important factors contributing to employees' decisions about staying on at organizations were strong leadership and good treatment, with management accountability being the third. The authors recommended that supportive leadership is crucial to ensuring employees' morale, motivation, and loyalty which would consequently reduce the number of employees turning in, if these conditions are provided.

Allen joined with Greenhaus (2011) and they carried out a comprehensive review of research that extended the original notion of the relationship between work and family of generations past to a current understanding of how a healthy relationship can affect employee well being and organizational commitment. It pointed out the link between flexible working policies and family friendly programmes, and the reduced rate of employee turnover and increased retention.

Saks (2006) found that both the antecedents and consequences of employee engagement positively influences the following: procedural justice, rewards, and organizational support and job characteristics. Furthermore, the results validate the theory that highly engaged employees are more committed to the organization, and more likely to perform well in and stay in an organization. The findings brought to light the importance of employee engagement initiatives in recruit and retain talent.

In his groundbreaking study on organizational culture and leadership, Schein (2010) contended that organizational culture has a significant impact on attitude, behavior, and commitment of the employees. The results showed that a positive organizational culture – including systems of trust, team work, employee recognition and empowerment – significantly influences employee retention. Those organisations who have supportive cultures and a healthy culture improve their chances of attracting and keeping good talent, the author stated.

The available literature focused on job satisfaction, organizational commitment, leadership, employee engagement, work-life balance, emotional intelligence and organizational culture as the key factors that impact employee attrition and capturing the multi-dimensionality of emotion. Most work has been on developing a comprehensive retention strategy that is customized both institutionally and to the individual. But, empirical studies specifically on job turnover and retention initiatives in health care organisations in Bangalore City are scarcely to be

found. Therefore, the objective of this study is to address this previous lacuna by understanding the causes of attrition amongst health care staff of Bangalore City and effectiveness of the jobs retention measures of the health care organizations.

Objectives of the Study

1. To identify and analyze the major factors contributing to employee attrition in healthcare organizations in Bangalore City.
2. To examine the relationship between employee satisfaction, organizational practices, and employee retention in healthcare organizations.
3. To evaluate the effectiveness of various retention strategies adopted by healthcare organizations and suggest suitable measures for improving employee retention and reducing attrition in Bangalore City.

Hypothesis

Null Hypothesis (H₀) - There is no significant relationship between employee satisfaction, organizational practices, and employee retention in healthcare organizations.

Alternative Hypothesis (H₁) - There is a significant positive relationship between employee satisfaction, organizational practices, and employee retention in healthcare organizations.

Research Methodology

The study ‘A Study on the Factors for Employee Attrition and Employee Retention strategies in Healthcare Organizations: A Study with the reference of Bangalore city’ falls under descriptive and analytical type of research and the purpose of the study is to find out the factors responsible for employee attrition rate and to understand the effectiveness of the implemented employee retention strategies in healthcare organisations in Bangalore. The data used for the study is from primary and secondary sources. Main Data collection is done in selected Healthcare organizations such as hospitals, diagnostic centers and specialty healthcare institution in Bangalore City by providing a structured questionnaire to random sampled employees of the selected healthcare organizations. The demographic items and the Likert scale items measure the subjective perception of the employee with respect to job satisfaction, organizational practice, work/life balance, compensation, growth opportunity in career, leadership support, employee engagement, and retention measurement practices. Secondary data has been gathered from books, research journal, published articles, annual reports, government publications, healthcare reports and the different online databases which are relevant and applicable in the study. The study's sample target population is given as the doctors, nurses, paramedics and administrative staffs of health care organisations in Bangalore City. A sample method which is structured and typically stratified random sampling is used to provide good sampling of different groups of healthcare personnel. In the case of the study, a number of 300 pertained to the appropriate sample size in order to achieve reliable and representativeness result. Data systematically collected are coded, tabulated and analysed with the aid of computer software, SPSS. Descriptive statistical tools (percentage, mean, standard deviation, and correlation) are used to summarize and report the data while inferential statistical tools (correlation, chi-square test, t-test, ANOVA and multiple regression analysis) are employed in testing the hypothesis and examining the employee satisfaction – organizational practice – employee retention relationships. The overall generalizability of the study is limited by the number and nature of the respondents (the employees during the period of investigation) and the specific nature of the organization (only Bangalore City). The results of the study are likely to become useful in the conception of employee attrition and retention policies and can contribute to some useful recommendations for the healthcare organizations to enhance employee satisfaction, deductence loss, and ensure a stable and effective workforce.

Table: Descriptive Statistics of Study Variables (N = 300)

Variables	Number of Respondents (N)	Mean	Standard Deviation	Minimum	Maximum
Employee Satisfaction	300	3.92	0.68	1.80	5.00
Organizational Practices	300	3.85	0.72	1.60	5.00

Employee Retention	300	4.01	0.65	2.00	5.00
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The descriptive statistics for all the study variables are tabulated with respect to the responses received from 300 healthcare organization workers from Bangalore city are presented in table 1. Adjusted mean scores show that the respondents generally possess a high intention to remain with their respective organizations with a positive perception of the retention practices (i.e., the highest scores for employee retention), suggesting that respondents on the whole view retention positively. The mean and standard deviation of employee satisfaction are 3.92 and 0.68 respectively, suggesting that the employees are moderately to highly satisfied with their work job, salary, working condition, and career prospects. Then, a mean score of 3.85 with a standard deviation of 0.72 for the result for organizational practices shows respondents in general favorable attitudes to organizational practices related to organization, leadership, communication paths and human resource strategies applied in their healthcare organizations. There are also a wide range of views among the employees concerning the circumstances of their workplaces, around 1.60-5.00 in each of each of the three variables. The moderately small values of standard deviations, however, show consistency of employee perceptions, indicating a moderately small dispersion of responses around its respective means. The mean scores of all the variables were relatively high indicating a positive environment in the selected health care organisations. This descriptive result can be used as preliminary evidence of the positive relationship employee satisfaction and positive organizational practices can have on employee retention.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.781	0.610	0.607	0.412

Predictors: (Constant), Employee Satisfaction, Organizational Practices

Dependent Variable: Employee Retention

Table 2: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	78.524	2	39.262	231.184	0.000
Residual	50.428	297	0.170		
Total	128.952	299			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Employee Satisfaction, Organizational Practices

Table 3: Coefficients

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	0.856	0.184	–	4.652	0.000
Employee Satisfaction	0.451	0.053	0.472	8.509	0.000
Organizational Practices	0.338	0.049	0.382	6.898	0.000

Dependent Variable: Employee Retention

The model summary indicates that this model had a significant positive relationship with employees' retention with an R value of 0.781. R² of 0.610 means that 61.0% of the variance in employee retention is explained by the employee satisfaction and organizational practices and the other 39.0% are due to some other factors not captured in this model. ANOVA table showed that the regression model is statistically significant (F = 231.184, p < 0.001), meaning that the independent variables explain the dependent variables well. Also, in the coefficient table in the model, ASEAN IS showed with the value of $\beta = 0.472$, p < 0.001 and organizational practice with the value of $\beta = 0.382$, p < 0.001 had a significant positive effect on employee retention. Employee Satisfaction has a relatively greater impact

on retention than do organizational practices. So the alternative hypothesis (H_1) is accepted and null hypothesis is rejected. Results show that there is a significant positive relationship between employee satisfaction, organizational practices and employee retention in healthcare organizations.

Overall Conclusion

This paper presents the results of the presented study, entitled "A Study on Employee Attrition and Retention Strategies in Healthcare Organizations: A Study with Reference to Bangalore City" which fails to convince the operational efficiency and sustainability of healthcare organization is the major problem due to employee attrition. The healthcare sector relies on skilled and experienced employees, and a high turnover rate creates several problems, such as new hires' expenses and the time they need for training, negatively impacting patient care, reduced productivity, and the resignation of people with valuable experience. HR managers and healthcare administrators are under increased pressure these days to focus on employee retention. Therefore, it is crucial now to be knowledgeable about the factors and support for retaining employees.

The results of this research indicate that employees' satisfaction with their work, organizational practices, work-life balance, opportunities for advancing in their careers, salaries, recognition and supportive leadership have significant correlation with the intentions to stay in the organization. From the overall descriptive interpretation, it is suggested that the perception of employees is positive towards their satisfaction in their work, organizational practices and engagements of retention as a result. The relatively high level of mean scores of these variables implies that healthcare organisations in BNGA are increasingly moving towards implementing policies aimed at staff and creating a conducive environment for a stable workforce.

The relationship between employee satisfaction and organizational practices is also found in the regression analysis, which shows that there is a significant positive relationship. Results of these variables reveal that they can account for a substantial portion of the variance in employee turnover explaining that employees with positive attitudes towards their organizations will be more likely to stay in the organization and be more loyal to it. In terms of what to look for in your company being able to meet the needs of the employees, provide employees with opportunities for development, provide equity in compensation and have a positive workplace were identified as the most important factors in employee retention.

The study has also highlighted the significance of the organizational practices such as understanding employees, communication, training and development, motivating employees through rewards, participative control in reducing the ETOs. Having the right organizational culture and managing the leadership of this culture will make a difference with employees' mood, motivation and their future eligibility to get associated with the organization to a certain degree. A skilled workforce has ample of employment opportunities in Bangalore City's healthcare industry, with several ways to retain a skilled workforce demanding strategic HR interventions and constant investment in employees' wellbeing and professional upskilling.

Finally, the research finds factors that need to be taken into account in attrition and retention and suggests they should be tackled in a holistic and multidimensional manner, to gain a comprehensive understanding of the phenomenon. Any real effort should focus on employee engagement and retention and the balance between the two, job satisfaction, career development planning, and resolving grievance issues while considering work life balance; it should avoid the orthodox methods of retaining employees. When staff retention is paired with the development of a positive organisational culture, it can contribute to reduced staff turnover, improved patient care, improved organisational performance and organisational sustainability. The findings of this study will be beneficial to everyone in healthcare, such as HR managers, Health Service Managers (HSM) and the politicians in the Bangalore City to form a sound strategy for the attraction of stable, committed and productive workforce in healthcare with proof.

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