

Employee Empowerment: An Important Tool for Faculty Retention

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Abstract :

Talent management pertains to making an investment in people development, by identifying talented individuals to develop for leadership roles in the organization/ institution (Gay and Sims, 2006).

Talent management is the systematic effort to recruit, develop and retain highly productive and promotable employees or human resource (Rothwell and Kazanas, 2004)

Talent management pertains to making an investment in people development, by identifying talented individuals to develop for leadership roles in the organization/ institution (Gay and Sims, 2006). Talent management is the concept which involves attraction, development and retention of employees with high capability who add value to an organization. Management education in India is considered as professional education and hence it comes under the All India Council of technical education which is a regulatory and quality maintenance organization. The guidelines for faculty recruitment are prescribed but their other service related benefits are not ensured by the promoters of these institutions. Moreover only few institutions adhere to the norms laid by government bodies and most of the institutions refrain from following them. These organizational conditions lead to faculty turnover intentions that cause serious damage to management education and its quality and credibility.

Faculty turnover as an education problem has emerged recently as business schools failed to attract and retain talented faculty members which resulted in deteriorating the quality of business education.

The present research is aimed at find the relation between Employee Empowerment and faculty retention. The study implies that Empowerment as an important human resource factor for the retention of faculty members in self-financed institutions offering professional education like management programme.

Introduction-

Talent management is fast gaining a top priority for organizations across the world. The various aspects of talent management are recruitment, selection, on-boarding, mentoring, performance management, career development, leadership development, replacement planning, career planning, recognition and reward (Romans and Lardner, 2006; Heinen and O’Neill, 2004; Scheweyer, 2004).

Talent management is the systematic attraction, identification, development, engagement/retention and deployment of those individuals with high potential who are of particular value to an organisation.

According to Blass (2008), talent management can be defined as “the additional management, processes and opportunities that are made available to people in the organization that are considered to be talented”. Industries such as education, consulting and other professional.

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Management education in India is considered as professional education and hence it comes under the purview of AICTE which is a regulatory and quality maintenance body of Govt. of India. The guidelines for faculty recruitment are prescribed but their other service related benefits are not ensured by the promoters of these institutions. Moreover only few institutions adhere to the norms laid by government bodies and most of the institutions refrain from following them. These organizational conditions lead to faculty turnover intentions that cause serious damage to management education and its quality and credibility.

Faculty turnover as an education problem has received more attention recently as business schools failed to attract and retain talented faculty members which resulted in deteriorating the quality of business education.

Objectives of the study:

1. To explore the attitude of faculty towards retention in business schools.
2. To find out Employee Empowerment is related with retention.

Hypothesis :

Compensation is positively correlated with retention.

Research Methodology_ The methodology used to achieve the desired objectives are as follows

- **Nature of Study:** Field Study
- **Research Design:** Correlation design
- **Sample size:** sample of the study comprises of 200 faculty members employed in business schools. The data was collected from 25 management institutions located in and around Lucknow the capital of largest populated state of India

Employee Empowerment

Employee empowerment has widely been recognized as an essential contributor to organizational success with many authors observing a direct relationship between the level of employee empowerment and employee performance (Spreitzer, 1995; Kirkman and Rosen, 1999), employee job satisfaction (Koberg et al., 1999; Ugboro and Obeng, 2000; Laschinger et al., 2001; Seibert et al., 2004), and employee commitment (Spreitzer, 1995; Ugboro and Obeng, 2000).

Empowering employees enables organizations to be more flexible and responsive (Mathieu et al., 2006) and can lead to improvements in both individual and organizational performance (Conger and Kanungo, 1988; Dainty et al., 2002; Ozaralli, 2003; Bordin et al., 2007). Similarly, it is maintained that employee empowerment is critical to organizational innovativeness (Gomez and

Rosen, 2001) and effectiveness (Conger and Kanungo, 1988; Chiles and Zorn, 1995; Koberg et al., 1999; Morrell and Wilkinson, 2002; Bartram and Casimir, 2007).

Employee empowerment is more relevant in today's competitive environment where knowledge workers are more prevalent (Wimalasiri and Kouzmin, 2000; Jarrarand Zairi, 2002) and organizations are moving towards decentralized, organic type organizational structures (Houghton and Yoho, 2005).

There is extensive literature advocating the benefits of employee involvement and participation at general level, and employee empowerment playing an important role within high performance work systems. It is increasingly important for organizations to respond rapidly to changes in the environment and empowering employees represents logical way to achieve such objectives as it eliminates extensive communication up and down the organizational hierarchy. Lower level employees receive timely information about operations, have the relevant knowledge of their work area, and bear the consequences of the decisions made. Empowerment of these employees also provides management with more time to consider broader strategies and the long-term objectives of the company.

Despite the claimed benefits associated with employee empowerment, there is evidence which suggests that the implementation of empowerment practices is not as prevalent as would be expected, with many employee empowerment initiatives unable to achieve the levels of empowerment intended (Collins, 1994; Foster-Fishman and Keys, 1997; Cunningham and Hyman, 1999). Indeed, Argyris (1998) maintains that empowerment is superficial and that the empowerment of employees is just rhetoric with managers still maintaining control. Many authors maintain that empowerment of employees is dependent on the provision of a supporting organizational environment with the literature identifying specific contextual factors and strategies that promote and support empowerment (Foster-Fishman and Keys, 1997; Ugboro and Obeng,

2000). For example, some of the factors associated with the inability of organizations to implement empowerment practices include a lack of top management support (Cunningham and Hyman, 1999), employee perceptions that empowerment is linked to downsizing (Adler, 1993), and the creation of inappropriate competition between teams (O’Conner, 1990; Swenson, 1997)

Attitude towards Retention Scale:

This Scale was also developed by the researcher. It assesses the attitude of faculty to remain in the job. The scale has four items. Cronbach alpha and item test correlation were obtained which assures its reliability and validity. The higher the score, the lesser the retention of faculty.

As per our sampling plan total of 200 responses were collected with our predesigned questionnaire and processed with SPSS 20 version for the purpose of checking the reliability which has yielded the results given below.

The processed tables show the Alpha value of all the responses under recognition that were asked with faculty respondents has shown value, which is greater than the standard value 0.60. This outcome value shows higher reliability of the variable under study.

Table 1: *Reliability Statistics*

| <i>Human Resource Factors (HR Factor)</i> | <i>Cronbach's Alpha</i> | <i>N of Items</i> |
|---|-------------------------|-------------------|
| Employee Empowerment | .926 | 5 |

Data analysis and interpretation:

Table 2: Tabulated Mean, standard deviation

| Constructs | Measurement Items (code) | Mean | Standard deviation |
|--------------------|---------------------------------|-------------|---------------------------|
| Empowerment | HE1 | 4.07 | .65 |
| | HE2 | 4.32 | .62 |
| | HE3 | 4.13 | .51 |
| | HE4 | 4.13 | .58 |
| | HE5 | 4.11 | .63 |

| | | | |
|------------------|------|------|------|
| Retention | RET1 | 4.32 | .632 |
| | RET2 | 4.28 | .626 |
| | RET3 | 4.34 | .565 |
| | RET4 | 2.19 | .810 |

Table 2 shows the mean values of each item and the standard deviations has been shown which gives a glimpse of total responses of the factor of the study and item that is supposed better. For all of the items the maximum score that could be obtained by respondents was five indicative of strong agreement while the minimum score obtained could be one indicative of strong disagreement score of three indicates the neutral category.

Correlation Analysis

In our study correlation coefficient will explain the degree of correlation between dependent and independent variables which will facilitate us to draw some meaningful conclusions.

The results are summarized in the table below.

Pearson Correlation between major study Variables (n=200)

Table 3: Correlation of Empowerment with Retention.

| | | | |
|-----|-------------|------|-----|
| | | RET | HWE |
| RET | Pearson | 1 | |
| | Correlation | | |
| EE | Pearson | .608 | 1 |
| | Correlation | | |

The above table shows that the variable Employee Empowerment is positively correlated with retention of faculty. The magnitude of most of the correlations is quite large and reaches the level of significance, that represent that faculty members would like to stay in the organisation if they are given Empowered . They remain in the organisation and have high aspirations for academic contribution to the institution of management studies. Hence it is a matter of great concern to the higher education department in general and professional education like management studies in particular that the initial phase of expansion of intuitions has gone, now the quality phase of education has come which should be recognised by all important stake holders (students, faculty members, parents etc.) government and society at all.

The above result helps us to retain hypothesis stating “Employee Empowerment will be positively correlated with retention.

Analysis of Variance

Compensation and retention

Table 4: Employee Empowerment and Retention

| ANOVA | | | | | |
|----------------|----------------|-----|-------------|-------|------|
| | Sum of Squares | Df | Mean Square | F | Sig. |
| Between Groups | .710 | 4 | .178 | 1.215 | .002 |
| Within Groups | 30.827 | 211 | .146 | | |
| Total | 31.537 | 215 | | | |

From the table 4, it can be concluded that means are not equal because here p-value is .002 which is less than .05, the assumed level of significance. Therefore, the null hypothesis is rejected. This means that retention rate differs from Empowerment items i.e. I am involved in decision making process of Organisation, I am given autonomy in doing my work, , The Organisation seeks my opinion in drafting policies, Responsibility and accountability go hand in hand.

The above table is the output reports of an analysis of variance (ANOVA). “F-ratio” represents the ratio of the improvement in prediction that results from fitting the model, relative to the inaccuracy still exists in the model (Field, 2005). From the table we can see, F is 0.939, which is significant at p (sig.) value $<.005$, i.e. $0.001 < 0.005$. This result tells us that there is less than a 0.5% chance of F-ratio being this large. Therefore, the regression model significantly improved our ability to predict retention (outcome, or predictor variable).

Major Findings

The major finding related with each practice is mentioned below in terms of their relative importance.

All the Human Resource factors and Organizational factors are positively and significantly correlated with each other.

The variable used in the study i.e. Employee Empowerment is positively correlated with retention of faculty.

Employee Empowerment which is a human resource factor has also been found to be an important predictor of faculty retention ($b=0.319$). The analysis of variance suggests that means are not equal because here p-value is .002 which is less than .05, the assumed level of significance.

. I am involved in decision making process of Organisation, I am given autonomy in doing my work, , The Organisation seeks my opinion in drafting policies, Responsibility and accountability go hand in hand in my organization.

Implications of the study:

The present research study would be useful to all the management professionals in human resources area in general and to the promoters and managers of educational institutions in particular. The research findings would suggest the professionals and administrators of educational institutions as how to manage their vital human resources i.e. the faculty members, how to get maximum output in the form of students satisfaction, satisfaction of faculty members and improved the academic environment. The finding of the study imply that the Employee Empowerment is one of the important human resource factor for the retention of faculty members in self-financed institutions offering professional education like management programme.

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