

# Employee Retention Strategies in Health Care Sector

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**Abstract** - Healthcare sector is one of the major and indispensable sectors of India. Growing population and outbreak of various diseases, which are even fatal, makes the healthcare sector most significant for our nation. Employee retention is crucial in healthcare sector and HR managers have to realise this fact. Not only implementing retention strategies are important but also assessing the effectiveness of these strategies is significant as well. Management should understand the perceptions of their employees with respect to the retention strategies implemented in their organisations. The overall aim of the study was to investigate the importance of employee retention strategies in Health Care Professionals. The present study reveals about the factors effecting Employee Retention and shows that various retention strategies such as flexibility, support from the management, subsidised food, mentoring, training for the latest technology etc. are few among the retention strategies implemented by various hospitals. Study revealed that Compensation (attractive salary package) and welfare benefits was found to be another important factor for the employees to stay with their hospitals for a long tenure.

**Keywords** - Health care sector, Employee retention Factors, strategies, various reasons for leaving.

## I. INTRODUCTION

Employee retention (ER) is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Even though ER has now become a tough task, it is beneficial for the organization as well as the employee. Retention is the process of physically keeping employee members in an organization as it is one of the key fundamentals that are necessary for organizational success. In a globalized environment, retention and engagement of high prospective employees are a huge challenge to organizations especially in times of high turnover rates. A talented employee will never fall shortage of the opportunities. If a person is not satisfied with the present job, he may switch over to another, of his choice. The top organizations are on the top because they care for their employees and they know how to keep them glued to the organization. Employees stay or leave organizations for many reasons the reasons may be personal or professional. Employees who are satisfied and happy with their jobs are more dedicated and work for organization's growth. Job satisfaction is something that working people seek and a key element of employee retention which is possible only by making the employee feel comfortable physically and psychologically. Organizations are facing the challenge of employee retention due to increased competition in the market.

Employees retaining is the most imperative target for the organization because hiring of qualified candidate is essential for organization but their retention is more important than hiring, because a huge amount is spending on the orientation and training of the new indicated employees. Research finds that the cost of replacing of old employees with new is estimated up to twice the employee annual salary. When Employee leaves the job, organization lost not only employee, but also lost the customers & client who were loyal with the employee, knowledge of production, current projects, competitor and past history of the organization. Failing to pay attention to retain committed employees could prove fatal as far as survival of the organizations is concerned.

The reasons for the employee's for leaving the organization may be personal or professional. Employees do not leave an organization without any significant reason. The most common reasons are Job and person does not match, no growth opportunities, lack of appreciation, lack of trust and no support and coordination among co-workers, seniors and management, Stress from overload and work life imbalance, compensation strategies not implemented properly, when there is a new job offer, etc.

There have been many human resource strategies provided to retain employees for the advantage of the organizations. These strategies are aimed at avoiding employee turnover. Organizations rely on the expertise, knowledge, skills and capital resource and capacity development of their

employees in order to compete favourably and indeed gain competitive advantage in the international market. However, recent studies have shown that retention of highly skilled employees has become a difficult task for managers, as this category of employees is being attracted by more than one organization at a time with various kinds of incentives. This has forced the management to work out retention systems and structures for their existing core employees.

Employee retention is one of the most difficult issues faced by organizations leaders in today's economic reality, reality dominated by the shortage of skilled labour, uncertainty of economic growth and increasing worldwide turnover. More and more, with each day that passes we find ourselves in what becomes a more global world with global competition, with a global market and eventually a global labour force.

Hence Retention of key employees is critical to the long term health and success of any organization. It is a known fact that retaining your best employees ensures customer satisfaction, increased product sales, satisfied colleagues and reporting staff, effective succession planning and deeply imbedded organizational knowledge and learning.

## II. FACTORS AFFECTING EMPLOYEES RETENTION

- **Training and Development:** Training and development programs can increase retention when they meet the needs of the employees. Meeting employee needs through training programs occur when the information provided is perceived as useful, applicable and desirable by them.
- **Compensation:** The remuneration, which an organization gives to its employee, is the primary factor, which reveals the commitment and intention towards the employee and is one of the compelling reasons for an employee to stay in that organization.
- **Organizational Culture:** Researchers have a varied comprehension of culture. It can be defined as a set of beliefs, values and behaviours' that leaders invent or discover to solve problems in the external and internal environment, which is taught to new entrants as the correct way of solving problems (Schein, 1990).

### Need and Significance of employee retention:

Retention is not only important just to reduce the turnover costs or the cost incurred by an organization to recruit and train. But the need of retaining employees is more important to retain talented employees from getting poached. There are many factors which show the importance of the employee retention. They may be the turnover cost which includes hundreds of thousands of rupees to the Organizations expenses belonging to health care sector. Health care Organization information loss is the next factor which shows the significance of retention. When

an employee leaves the Health care organization suddenly, the relationships that employee built for the Organization are suffered and also could lead to loss of contact with potential customer

Retaining talented employees from getting poached along with reducing the attrition costs are the key areas that need to be given some serious thought. Huge amounts are being spent on hiring and training the recruits and hence the cost of employee attrition adds a lot of money to an Organization's expenses. Employees who leave the organization take along with them valuable information regarding the Organization, its customers, current projects and other confidential data. Employees build relationships with customers and clients and help the business of the organization to grow but once they leave, such relationships are severed and can cause potential customer loss. Time is a crucial factor for a business to succeed and a huge amount of it goes in hiring and training a new employee, also involving large amount of money huge cost which is a direct loss to the Organization, if the employee leaves the organization.

### Objectives of the study:

- To study about the Employee Retention.
- To study about the various reasons of the Employees who are leaving their organization suddenly.
- To focus on the different strategies for Employee Retention.
- To study about the factors affecting about the Employee Retention.

## III. RESEARCH METHODOLOGY

Research Methodology is considered as the nerve of the project. Without is proper well-organized plan. It is impossible to complete the project and reach to any conclusion. The project was based on the survey plan. The main objective of survey was to collect appropriate data which work as a base for drawing conclusion and getting results.

Therefore, research methodology is the way to systematically solve the research problem. Research Methodology not only talks of the methods but also the logic behind the methods used in the context of a research study and it explains why a particular method has been in the preference of the other methods. It is the system of collecting data for research projects is known as research methodology. The data may be collected for either theoretical or practical research for example management research may be strategically conceptualized along with operational planning methods and change management.

The present study adopted the descriptive research design. Regarding the population 100 employees (working in the Medica Super Specialty Hospital, Kolkata) were

considered. The sample size constituted 31 employees from various departments. Data regarding employee perceptions on employee retention and engagement practices were collected by using Convenience Sampling method.

#### Data Sources

**Primary Data:** Primary data were collected by administration of questionnaires among the respondents

**Secondary Data:** Secondary data were collected from company resources, web resources, books and

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The data that has been used in this paper is secondary data and it is collected mainly from various journals of renowned researcher and distinguishes Academicians, Various books, articles and Websites.

## IV. EMPLOYEE RETENTION STRATEGIES

Today many Organizations are on the top because they value their employees and know how to retain them. Several strategies are executed to motivate employees and retain them for a maximum period of time.

Talent development should be the main agenda for Organization's HR as a major step towards retaining employee. Providing a good working environment and growth opportunities can motivate employees to stay longer in the organization. Building self-esteem of the employee is a very important employee motivation and retention factor which many organizations have realized now. Personal problems can cause a hindrance in the work performance of an employee and sometimes they may need a coach to help them look for solutions. Show your employees you care for them and once you do this, they will go out of the way to do a great job.

Offering performance based bonuses can give an extra incentive to perform something tangible. Avoid boredom to be a part of their work schedule as it can send the

employees running for the door. Thus, work given should be challenging enough and should make them feel they are a valued part of the Organization.

Also paying attention to the individual needs of the employee and make them feel that their career goals can very well be met within the Organization ensures that they are more likely to remain part of the system.

Many companies provide professional training programs, one of them being Reliance World that offers a host of personnel development modules through partnerships with premier management institutes like XLRI and IIMs. This is supported by online courseware that includes Computing Core Certification (IC32005), Internet and many others. Employees given such training are considered most likely to not only perform their tasks better but also are willingly ready to stay longer with the organization.

#### **Some of the best practices that the employers must keep in mind when they are planning strategies for retaining the employees are as follows:**

- Hire the right staff in the first place.
- Empower the employees by giving them the authority to get things done.
- Make them realize that they are the most important asset of the organization.
- Trust them, have faith in them and respect them.
- Provide them knowledge and information.
- Keep providing them with feedback on their performance on a continuous basis.
- Appreciate and recognize their achievements.
- Create an atmosphere where the human resources want to work and have fun.

Addressing employee retention with an ongoing strategy can help reduce turnover, increase patient satisfaction, and improve the overall experience of employees. These are the five approaches considered to develop retention strategy.

#### • **Improve Engagement-**

Low employee engagement in the healthcare industry can be the result of many factors, including unpredictable schedules, excessive overtime, heavy workloads, and a lack of flexibility in the workplace. Though some of these contributing factors may be unavoidable, leadership has the power to play a role in improving hospital staff engagement. Some examples of specific actions leadership can take include:

1. Recognizing excellence in patient care
2. Celebrating teamwork
3. Conducting surveys to learn about the most pressing issues to employees
4. Taking action on the results of the surveys
5. Doing informal check-ins with staff
6. Communicating and managing change effectively and in a timely manner

#### • **Foster Teamwork and Communication-**

Teamwork among healthcare workers is an essential element in creating a positive patient experience. Rarely do individual healthcare providers deliver service entirely on their own. Most of the time they operate in teams and providing excellent patient service requires having the skills to do this effectively. Developing communication skills among team members is essential for reducing errors, resolving conflicts, and creating clarity around task assignments. Good communication between leadership and teams is also important. When leadership is able to clearly communicate expectations and organizational goals, teams are better able to prioritize tasks and understand how their roles fit into the larger hospital strategy. Clear lines of communication also give employees points of contact, where they know they can get answers to their questions.

#### • **Provide Competitive Compensation-**

Retaining good employees requires maintaining job satisfaction and engagement among your staff, and compensation is a primary driver in this area. As the healthcare industry continues to grow and the demand for quality employees increases, competitive salaries, bonuses, and other benefits are becoming more important for staff retention. Given the high cost of turnover, it is the responsibility of leadership to weigh it against the cost of competitive compensation.

#### • **Give Recognition Where Recognition Is Due-**

In addition to competitive compensation, there are other ways to reward healthcare professionals for the valuable work they do. Although they may receive positive feedback from patients, it's also important for them to feel appreciated by their leaders and peers. Ideas for recognizing good work include:

1. Annual recognition dinners
2. Awards for exceptional service
3. Extra time off
4. "Shout-outs" or other informal but public communications that recognize exceptional efforts and explain why they are worthy of recognition

Reward and recognition can help drive engagement and contribute to better staff retention. However, rewards can only go so far, especially when an employee feels that they are already compensated appropriately and performing at their highest level. Healthcare professionals want to feel that they are making a difference. Recognizing healthcare staff for their contributions to the patient experience and the organizational goals can go a long way toward keeping them engaged and motivated.

#### • **Invest in Education and Continual Learning-**

Ongoing education and professional development can help healthcare professionals improve both their technical and people skills, both of which are essential for providing an exceptional patient experience,

improving productivity, and increasing employee satisfaction. Here are two ways to promote continual learning at your organization:

1. **Demonstrate a clear growth path:** According to the Leaders for Today survey, the lowest-ranked parameter for workplace satisfaction is having the opportunity for career advancement. Having an employee development plan will help keep valuable staff engaged with your organization because they know there will be opportunities for growth in their future.
2. **Provide training opportunities:** The second-lowest-ranked parameter is having the opportunity to learn and develop new skills. Having a training program in place ensures that employees are being given the tools to help them achieve their career goals, improve the patient experience, and support the organization as a whole.

Healthcare employee retention is a significant challenge to the industry. It is expensive for organizations, worrying for employees who want a stable work environment, and does not create a positive environment for patients. Addressing some of the largest gaps with these five recommended strategies can help your hospital or healthcare organization reduce employee turnover and attract new, qualified candidates, because employees, current and potential, will feel valued and excited about being part of the organization. It's also important to include all employees in these opportunities—encourage everyone in the organization equally to seek improvement opportunities, and ensure they know they have your support.

## V. FINDINGS

The review of the literature finds that the HR practices are the most important and valuable for employee's retention in any organization.

**Some of the specific findings in this regard are:**

- Organization culture plays an important role in employee retention.
- Improve Engagement, Foster Teamwork and Communication, Provide Competitive Compensation, Give Recognition Where Recognition Is Due, and Invest in Education and Continual Learning are the main 5 strategies for Employee Retention.
- Family support and flex time culture is consider as significant factor in employee retention.
- Compensation, reward and recognition play a key role in employee's motivation, which leads to employee's retention in the organization.
- Similarly Training and career development was found motivating factor which leads to retention and career development was found important influencing factor in employee retention in the organization.

- Employee career advance aspect or promotion opportunities have significant relation with employee's retention and consider as important factor in employee retention.
- Organizational justice (distributive justice and procedural justice) also play pivotal role in employee retention.
- It is revealed from study that, if organization wants to retain their employees, organization must follow fairness formula.

## VI. RECOMMENDATIONS

The following are some of the recommendations for the management tasked to manage employees towards successful attainment of organizational goals are:

- Organization needs to further improve its culture as it has the potential to retain employees, which will help it to retain its valuable employees.
- Exit interview system may be introduced which will help management in answering the question why employees leave them, and then work on those areas which influence employees to leave their organization.
- By using these strategies Improve Engagement, Foster Teamwork and Communication, Provide Competitive Compensation, Give Recognition Where Recognition Is Due, and Invest in Education and Continual Learning we can retain Employees.
- Turnover rate should be monitor and consider it important in policy formulation regarding HR factors and organization factors it will help management in retaining their employees.
- It is suggested that employees want fair treatment and fair appraisal regarding the HR practices, so organizations need to bring fair policy and communicate it to their employees.
- Recognition of the employee's inputs and outcomes need further improvements. This concept may be improved if organization introduced formal recognition system i.e. certificates, employee of the year etc.
- Reward should be awarded on merit and promotion should be on seniority and merit both, which help in production and retention.
- The salary of employee need to be increased, which will not only retain the present employee's but will attract employees of other organization as well.
- Organizations should identify those benefits which have more influence on employee retention. Furthermore, Organizations need to revisit their present benefits package to identify those benefits which are not useful in order to replace them.

- A training program may be established as a regular practice for provision of training and retraining (refreshment courses) opportunities for their employees. This would not only satisfy employee's growth need but also enhance employee retention.
- A counselling system may be established regarding counselling employees for their career development, which will enhance employee loyalty with the organization.
- Employees need to understand that they are in organization, where they are offered multi training and career development opportunities so they should avail these opportunities to increase their marketability / employability

## VII. CONCLUSION

This study briefly covers the various areas where employee retention factors, strategies are implemented namely work environment, work culture, salary negotiation, compensation management, rewards and recognition, leadership and relationship between employees and management. Over all Employers need to concentrate on Improve Engagement, Foster Teamwork and Communication, Provide Competitive Compensation, Give Recognition where Recognition is due and Invest in Education and Continual learning to improve Employee Retention. Therefore the organization can impart certain practices that boost employee to perform well and sustaining them in the organization by providing various welfare measures and implementing retention strategies.

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