

Major Determinants of Faculty Retention-Remuneration, Research & Role Clarity: A Case Study on Private Universities in Bangladesh

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Abstract

Faculty retention is an outcome of a large number of variables including demographic characteristics, policies and practices of universities, salary structure, working environment, university itself, interesting course, research facility, faculty job satisfaction, faculty commitment, campus facility, career growth opportunities and so on. This paper focuses on the assessment of three individual factors: salary and benefits, research facilities and role clarity of academics on faculty retention of private universities in Bangladesh. We attempted to present an empirical analysis of the data collected through closed-ended structured questionnaires. The association among the variables has been assessed by reliability, descriptive statistics, correlation, regression and ANOVA. Findings of this paper represent very strong positive relationships between role clarity of academics and their intention to stay with current universities. Salary and benefits have moderate impact on faculty retention while research facility has the least contribution among the three stated variables of this paper. Hence, management of the private universities should be concerned with the expectations of the clarity of roles that they deserve from their universities if universities really want to retain them as one of the most important resources to provide services to the society. Highly competitive compensation packages must be offered to faculty members to have their long-term service for the betterment of the universities. Though the research facility carries least importance to faculty retention it cannot be overlooked as it helps to place the universities in world ranking.

Keywords: Faculty Retention, Remuneration Package, Research Facility, Role Clarity, Job Satisfaction, Private University

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1. Introduction

Higher education is one of the indicators of development for any country. Primarily Universities are the providers of higher education to any country. Higher education is a weapon for economic growth for both developed and less developed countries (Echevarria, 2009). Education's role is vital for the socio-economic development of any country. It enlightens people with the power of knowledge. A nation's success and prosperity depends on the strength of its education system. Nowadays a higher educational institute becomes a center of research which creates knowledge, brings changes and promotes skills to social development (Mubarak R.Z et.al, 2012). Universities are the main key driver of this development of the society by developing manpower into human resources. According to Armstrong (2009) human resources are converted to human capital with the help of knowledge, skills and abilities. People with such resources are valuable for any organization. It is the faculty who takes the noble responsibility to build up a society. They are known as the architects of a nation. They add values through utilizing their cognitive ability (Wright, McMahan & McWilliams, 1994). Storey (1992) added skills and knowledge in addition to it. Teachers are enriched with comprehensive knowledge about students' learning. Therefore, their affiliation with students is must (Foley, 1996). There is a burgeoning growth of private universities in Bangladesh. And these institutions are playing a vital role in higher education. 105 government approved private universities are working in the education sector in Bangladesh among those 9 universities that have not yet started their academic activities. The University Grants Commission of Bangladesh has formulated education policies and all universities irrespective of their ownership are bound to obey those instructions. For any educational institute, teachers are treasured with knowledge, skills and therefore they become the ultimate source of competitive advantage as opined by Christopher & Kevin (2003). A skilled and dedicated faculty can show the path to the students for their prosperous life. Ultimately the whole economy is benefited for their novel effort (Mubarak Z.R et.al, 2012). Now, this education sector has become a large and prospective employment sector for the most of the talented people of Bangladesh. As there are more than 100 private universities in Bangladesh it is becoming a challenge to keep or retain the valuable and talented ones. Organizations that fail to retain their employees may be in great loss as an employee may join a competitor organization or they may directly enter into the competition by establishing another organization (Day, 2000). Educational leaders find it difficult to find and retain competent and competitive faculties. Therefore, faculty retention is a big concern for private universities as a large number

of students have graduated from these institutions (Mogna and Mogna, 2018).

2. Literature Review

2.1 Faculty Retention

Faculty retention is very important for efficient and proper utilization of resources to provide best effort to the society. Their endeavor is to build up the pool of future human-resources of a nation (Shikha, 2012). Employee retention is crucial for the development and success of organization's goal attainment in order to bring competitive advantages over other organizations (Rono, Kiptum, 2017)

Salary & benefits, role clarity and research opportunity are some of the factors identified by many researchers as key role players in faculty retention. Poor faculty retention at the private universities has a strong and direct impact on learners' performance as the universities require a good amount of time to replace the position and to cope up with losing quality faculty members (Mkulu, Adhiambo ,Katundano, 2017). An increasing number of organizations are trying to sort out the strategies to retain the talent (Wanjiru, 2007).

Employment perceptions, union presence, satisfaction with pay, supervision, work itself and demographic characteristics of respondents have strong correlation with employee retention. However, satisfactions with promotional opportunities and employee job performance have moderate impact on retention. (Cotton & Tuttle, 1986). In Higher Education the turnover rates have been disruptive and costly (Figueroa, 2015). Faculty retention is important for the universities not only to retain the talent into the institution but also to avoid the hassle, disruption and unwanted expenditure. Faculty retention is significant for the universities not only for attracting the best talents but also retaining them into the universities in the long run (Ashraf, 2018). Mkulu (2018) opined that academic staff retention is the foundation of best performance for universities as they provide a primary role for these institutions. The current study focuses on salary, role clarity and research opportunity to identify the impact of these factors in faculty retention at private universities in Bangladesh.

2.2 Salary and Benefits

Compensation has a significant positive relationship with job satisfaction whereas benefits act as a neutral role in attracting and retaining academic staff (Mabaso and Dlamini, 2017). Compensation package, job security, and working conditions have a dominant role in job satisfaction (Masum, Azad & Beh, 2015). Relationship with co-workers, working environment, pay and promotion plays a vital role in Employee job satisfaction (Pravin&Kabir, 2011).

Compensation package attracts faculty members to choose and stay with an organization. If they are offered a better salary to another organization, they can leave their existing one (AL- Omari et. al. 2008). For married faculty members, turnover ratio varies as they are also responsible to look after their families which require money. It signifies that salary and benefits are playing a crucial role (Ambrose, Huston & Norman, 2005). Previous studies on faculty retention have shown that compensation plays a decisive role as retention factor (Mubarak R.Z. 2012).

In their study Mittal & Singh (2017) found that there are many factors that directly and indirectly affect faculties to stay with or to leave from an organization. Among those factors the most influential factors are finance & salary, working conditions and family issues. In a similar study conducted by Shikha (2012) examined that HR factors such as compensation, training & development and organizational factors such as working environment and leadership have a great impact on employee retention and talent acquisition in higher educational institutes. Another important finding of the study is that many faculties respond to salary as the most important factor of employee retention. According to Zahra, Irum, SaadMir , Anwar Chishti (2013) remuneration and lack of support from supervisors triggers faculty turnover. The result of the study shows that work life policies, supervisory support and remuneration have negative relation with faculty turnover, thus leading to higher faculty retention.

Ng'ethe, Iravo, Namusonge (2012) conducted a research on determinants of academic staff retention where they linked faculty retention with intrinsic factors like salary, working environment and extrinsic factors like promotion, training and development. This literature focused on salary as one of the major forces to faculty retention that is whether a faculty intends to stay or leave the organization.

2.3 Role Clarity

There can be a high role expectation in terms of research, teaching loads, and professional service responsibility (Kingston-Mann & Sieber, 2001). Factors responsible for workplace stress can lead to faculty job dissatisfaction (Sanderson, Phua, & Herda, 2000). Therefore, faculties intend to leave the institution or to leave the university sector (Johnsrud & Rosser, 2002; Rosser, 2004).

Heavy workloads, insufficient remuneration, training facility, recognition and lack of monetary benefits impact the intention of faculty retention. Because of these workplace factors and strategies faculties may have lower intention to stay into the institutions. Too much workload can make confusion among the faculties

regarding their role clarity faculties (Mkulu, Adhiambo&Katundano, 2017). In another study, Mkulu (2018) found that motivational factors like skill recognition, praise, incentives, and appreciation have a positive impact on employee retention. It shows that leadership style and remuneration also influence faculties' intention to stay into the organization. If leaders don't clarify the role properly or lack supervisory guideline faculty's intention to stay into the universities reduces. Employee dissatisfaction arises as a result of low level of teamwork, communication and participation in university. Providing freedom and autonomy in decision making can give the feeling to teachers that they are being valued by their universities (Ndungu, 2017). Relationships with co-workers, satisfaction with supervision and working hours motivate employees to stay with the current organization (Talukder, Talukder& Alarm, 2014).

In their study Gaspar, Mateo, Arias Jr. (2016) found that compensation, recognition, job security, opportunity for career development impact faculties' intention to stay into the institutions. Getting clear instructions from the supervisor was also discussed in this study as a significant factor for faculty retention. Christensen (2018) analyzed the factors influencing the retention of female faculties where the author connected job stress, job satisfaction and retention with gender, discipline and institutions type. Babin& Boles (1996) concluded that work involvement, teamwork and supervisory help can reduce workplace stress and increase job satisfaction. Superior- subordinate relationship, communication, learning and working climate are the most influential factors for retention strategies for organizations (Sinha & Sinha, 2012).

In Kenya, Rono, Kiptum (2017) examined the faculty retention factors at the University of Eldoret. The findings of the study say that compensation, human resource practice and role clarity influence faculty retention positively. Clear understanding of their objective plays a significant role on faculty retention intention. The current study intends to find out whether similar results could be found at the private universities in Bangladesh.

2.4 Research Climate

Heavy teaching load may hinder the research climate. Substantial advising and other administrative responsibilities, limit the opportunities of a faculty to engage in meaningful research and professional activities (Al-Omari et. al. 2008). Teachers leave university though they feel good about their institution and the reason is the lack of time for research purposes rather than administrative and other tasks. There is a positive association with research interest climate and faculty retention (Blackburn & Havighurst, 1979).

Obed Figueroa (2015) in his research discussed the conflicting role of teaching and research, where the findings say that sometimes teaching overload hampers the opportunity for research for faculty members. And thus because of this lack of opportunity for research dissatisfies the faculty members, eventually reducing their intention to stay into the organization. According to Fawzi and Al-Hattami (2017), teaching load impacts faculty member's research productivity. If there is too much workload on them, there will be less available for research purposes. As we know, the research climate is as important for faculty members as teaching. Favorable research climate and opportunity drive the career growth of faculties, so getting an appropriate research climate at the university impacts faculty's intention to stay into the organization.

In a research Soomro& Ahmad (2013) studied employee retention based on three important categories which are teaching, research and community service. The findings of the study indicate that these three factors can positively impact faculty retention in both faculty perspective and university administration perspective as well. This study reflects that if faculty members lack enough research capabilities then universities should encourage them to participate in different seminars, conferences and training programs rather than firing them, which will eventually lead to faculty retention.

3. Methodology

A total of 186 responses have been collected from academics. Questionnaire surveys have been used to collect data from faculty members. Google form and personal contact have been used to collect data. Structured questionnaires consisting of 5 point Likert Scale ranging from strongly disagree (1) to strongly agree (5) have been used as a tool to collect data. Faculty members represent 28 private universities in Bangladesh. Universities are- International University of Business Agriculture and Technology (IUBAT), North South University (NSU), Independent University Bangladesh (IUB), United International University (UIU), American International University-Bangladesh, East West University, BRAC University, Northern University Bangladesh, Southeast University, Presidency University, Primeasia University, Royal University of Dhaka, Shanto-Mariam University of Creative Technology, BGMEA University of Fashion and Technology (BUFT) University of South Asia, University of Liberal Arts Bangladesh (ULAB), Ishakha International University, Sonargaon University, Notre Dame University Bangladesh, Canadian University of Bangladesh, Leading University, State University, World University, Daffodil International University, Bangladesh University of Business and Technology (BUBT), First Capital University of Bangladesh, Britannia University, North Pacific International University of Bangladesh (NPIUB). Respondents have been selected from different schools named science, arts, business and social sciences. All levels of teachers from lecturer to professor have

been included in this research. Respondents are ranging from 21 to 60 years. The survey was performed between October 2019 and March 2020. This paper is based on exploratory quantitative research. Convenience sampling has been used to collect data. Reliability of data was checked first and then descriptive statistics, multiple linear regression, ANOVA, have been used to analyze data.

4. Results and Discussion

Table 1. Demographic Information of Respondents

Characteristics	Frequency	Percent	
Gender	Male	125	67.2
	Female	61	32.8
	Total	186	100.0
Age	21-30	62	33.3
	31-40	72	38.7
	41-50	39	21.0
	51-60	13	7.0
	Total	186	100.0
Education	Doctorate	33	17.7
	Pursuing PhD	26	14.0
	Post-Graduation	102	54.8
	Graduation	25	13.4
	Total	186	100.0
Designation	Lecturer	78	41.9
	Senior Lecturer	36	19.4
	Assistant Professor	40	21.5
	Associate Professor	20	10.8
	Professor	12	6.5
	Total	186	100.0
Department	Science	62	33.3
	Arts	31	16.7
	Business	92	49.5
	Social Science	1	.5
	Total	186	100.0
Marital Status	Single	61	32.8
	Married	125	67.2
	Total	186	100.0

Table 1 of frequency distribution shows that most of the respondents are male (67.2 %) and the rest of the respondents (32.8%) are female faculty members. They were categorized into 4 age groups from 21-60 years having 10 years in each group. Most of the respondents fall in the second category with the age group 31-40 years. A small number of respondents fall in the 51-60 years category. According to educational qualifications faculty members were categorized into 4 groups while maximum academics (54.8%) have completed their postgraduate degrees. Private universities have 5 different designations in teaching professions starting from lecturer to professor. Respondents for this reach are mostly (41.9 %) lecturers by designation. This paper includes all schools including science, arts, business and social sciences while most of the samples have been collected from business schools (49.5%) of various private universities. According to marital status maximum respondents (67.2%) fall in the married category.

Table 2. Reliability Statistics

Cronbach's Alpha	N of Items
.871	4

Table 2 shows that the model is reliable. Cronbach's Alpha is .871>.8 (George & Mallery, 2003). The result of the reliability test having Cronbach's Alpha .871 is highly acceptable as it is more than 0.8 (Gliem&Gliem, 2003).

Table 3. Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.365	.222		1.643	.102
Remuneration	.183	.074	.202	2.491	.014
Research Facility	.128	.061	.183	2.109	.036
Role Clarity	.479	.065	.461	7.320	.000
ANOVA	F	Sig.	R Square	Adjusted R Square	
	71.705	.000	.542	.534	

Table 3 reveals that R Square is .542 which implies that 54.2 % variations are explained by the variables included in this model for faculty retention and the rest of the variables are not included for this paper. The calculated ANOVA table implies that all of the variables are significant for faculty retention as p-value is .000 which is lower than 0.05. Findings of the above table represent the effect of each individual independent variable on faculty retention. The most influential factor for faculty retention is role clarity as p-value is .000<.05. The impact of remuneration in the form of salary and benefits is also significant as its p-value is .014<.05. Research facility as a factor of faculty retention is also significant but carries less importance than the previous 2 factors as it has a p-value of .036<.05. Therefore, it can be said that there is a significant relationship between independent and dependent variables while role clarity plays the lead role that motivates academics to stay with their current university.

5. Conclusion

This paper deals with an assessment of the impact of three factors named research facility, role clarity and remuneration on faculty retention at private universities in Bangladesh. Findings of this research show that clarity of roles strongly motivates academics to stay with their existing employer while other two factors have positive affiliation with intention to stay. If better remuneration packages including salary and other benefits are offered to faculties then their retention rate would be higher. Findings of this research are also confirmed by previous studies too. Though research facility is generally treated as an important factor for faculty retention it has the least impact out of the stated three factors. Data of this research were limited to 32 private universities which mostly situated in Dhaka. It is expected that if more data could be collected from other private universities around the country then the result could be confirmed confidently. Inclusion of other factors related to faculty retention like image of the University, working environment, social climate, policies and practices of University could give a complete picture of faculty retention in private universities operating in Bangladesh. Therefore, further research can be conducted by including other factors and increasing sample size and varieties of Universities. By analyzing the findings, it is recommended to make the role of faculty members clear to all parties within and outside the University to create an environment where academics would be interested to stay with the present University rather than searching for better options. It is University management who can play a vital role in designing a competitive and lucrative remuneration package offering both internal and external equity to faculty members. Sufficient research facility is also important not only for faculty retention but also to develop a positive image of the University in the education industry. It is expected that concerned authorities would take the insights of this research and practically implement those to have sustainable competitive advantage by ensuring successful utilization of resourceful faculties and retain them for a longer time period.

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