

A Study on Employee Attrition Rate in One of the Multispeciality Hospital in Bangalore

Dr.V.Uma 1st Affiliation (*Author*)
Head Of the Department

Department of Hospital Administration Dr.N.G.P. Arts and
Science College, Coimbatore, India

S. Monishwar 2nd Affiliation (*Author*)
Student

Department of Hospital Administration Dr.N.G.P. Arts and
Science College, Coimbatore, India

Abstract:- Employee attrition is one of the key problems faced by all the organisation. In an organisation manpower and workforce are the important constituents. Employee attrition reveals about the organisation's internal power and weakness. Employee attrition is defined as the gradual reduction of employees by resignation, absconding and retirement. The growth of the organisation depends on its employees. There is Human Resource department in all organisation which deals with all activities related to the employees. This study is conducted to find out the main cause behind the increase in employee attrition in healthcare sector. This study helps in knowing why the attrition occurs and main reason for the attrition. A structured questionnaire was administered with a sample of 121 respondents. Analysis such as chi-square, one-way annova and correlation analysis are employed. Major findings of the studies are minimal when compared to other hospital and it is possible to attain the less attrition rate by neglecting the lack of career advancement and compensation. This paper attempts to provides a framework for the employee attrition with great concern.

Keywords:- Employee attrition, healthcare sector, manpower, career, compensation, human resource, employee turnover rate.

I. INTRODUCTION

A. Definition:

Attrition is defined as a reduction in number of employees through normal means, such as retirement, resignation, absconding and death.

In other words employee attrition is a natural process by which employees leave the workforce through the resignation for personal reasons.

B. About the topic:

Employee Attrition is a voluntary reduction in an organization's manpower through resignations and retirements. High attrition rate causes a high employee turnover in an organization, reducing quantity and quality of an organization's manpower. This in turn causes a huge expenditure on human resource, by contributing towards repeated acquisition, training and development, and performance management. Healthcare is witnessing the same exponential growth that IT and BPO industry faced some years back.

Impact of attrition: Attrition normally brings decreased productivity. This contributes to more attrition, which contributes to increasing costs, lower revenue. This often forces additional cost reductions and austerity measures on an organization.

➤ Attrition rate formula:

ATTRITION RATE = NO. OF EMPLOYEES LEAVING DURING THE PERIOD / AVERAGE NO. OF EMPLOYEES FOR THE PERIOD *100

➤ Types of employee attrition:

Employee attrition is a common metric that is used to measure the number of employees who left the job that they were employed to do. Employee attrition is broadly categorized in to two definitions: Voluntary and Involuntary.

➤ Voluntary:

It is the type of attrition where the employees leave on their own work. The employees leave their duty due to various type of reasons such as, stress, lack of appreciation, limited growth opportunity, etc.,

➤ Involuntary:

Involuntary termination is the employee's departure at the hands of the employer. In involuntary attrition when an employee gets terminated from his job due to poor performance.

➤ Causes of attrition:

- Attrition brings decreased Productivity.
- This contributes to more Attrition, which contributes to increased costs and lowers Revenue.
- Growth opportunities not available.
- Raises and promotions frozen.
- Organizational instability.
- Lack of decision making ability.
- People skills are inadequate.
- Coaching and feedback are lacking.

C. Objective of the study:

- To study the attrition rate in the selected hospital.
- To identify the reason for attrition.
- To suggest measures to reduce the attrition.

II. LITERATURE REVIEW

According to **R. Anbu Ranjith Kuma¹⁴(2016)**, Today’s employees seek more monetary compensation. Research conducted in the Company revealed that opportunity for development, salary, job content, relationship with supervisor are important reasons for employee attrition. The myth that salary is the most important reason for employee attrition was clarified as employees are more concerned about opportunity for development. Salary is also important, salary needs to be competitive with the market rates, and otherwise there is a high risk of losing your employees to your competitors. It is also learned that even though the salary might be high, an employee would be willing to change job for better development opportunity.

According to **M. Mohamed thariq¹⁵ (2014)**, there is a relationship between Salary, motivation and appraisal employee attrition in the organization. Many HR professionals feel that work performance is a contemplation of how employees feel about themselves and their work, if an employee experience a sense of pride in the job then the work quality, efficiency, and retention increases significantly. Employees who suffer from low self-esteem

and display lack of enthusiasm exhibits negative feelings at the work place.

According to **Mathur, Atul and Agarwal, P. K¹⁹. (2013)**, main reason for leaving the organization by employees were compensation and working environment. Results of the study revealed that retention strategies have direct impact on employee turnover. Researcher suggested that by using different HR practices like effective compensation policy, performance appraisal, training and development programme, feedback and assigning competitive work the condition of employee retention can be increased.

III. METHODOLOGY

This research explains about the attrition rate in a specific healthcare sector. It deals with the research design, research approach, population, sample size, sampling technique, procedure for the data collection and data analysis. The target population consisted of employees who are relieved from the selected hospital. Hence simple random sampling method is used for the study. Sample size of the research is 121. For this purpose, A structured questionnaire was prepared and data were collected.

IV. ANALYSIS

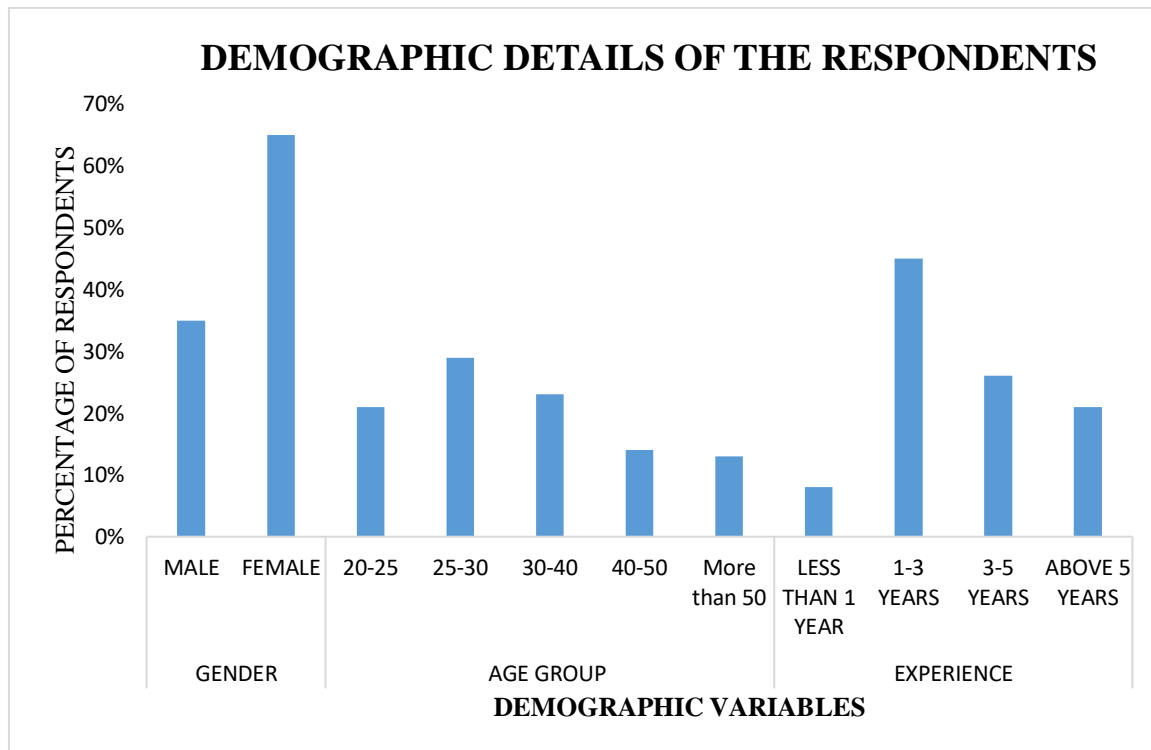


Chart 1:- Chart showing the demographic data of the respondents

The above chart shows that the demographic details of the respondents such as gender, age group and experience. From the above table it is found that mostly female employees are leaving the hospital than the male employees. When compared to other age group it is evident that age group of 25-30 aged people were leaving the

hospital. Employees who had 1-3 years of experience are easily leaving the hospital, and there is not that much difference between 3-5 and above 5 years. Employees who are leaving the hospital with less than 1 year experience are very less.

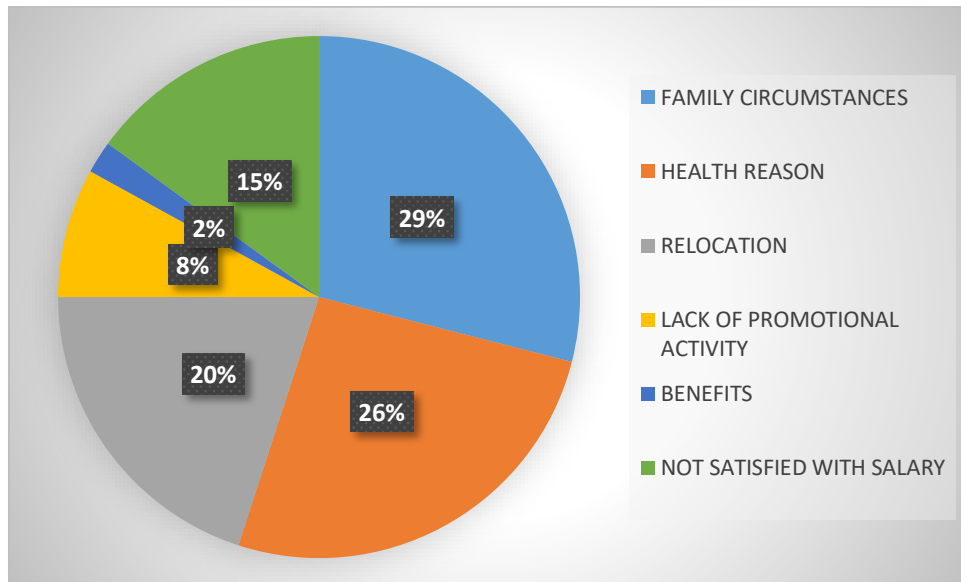


Chart 2:- Chart showing the reason for respondents “leaving the job”

The above chart shows that 29% of the respondents have resigned the job for family circumstances and 26% left the job due to health reason, 20% for relocation, 8% for

lack of promotional activity, 15% for not satisfied with salary and only 2% of the respondents resigned the job for benefits.

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.146 ^a	15	.591
Likelihood Ratio	15.622	15	.408
Linear-by-Linear Association	.203	1	.652
N of Valid Cases	121		

a. 15 cells (62.5%) have expected count less than 5. The minimum expected count is .66.

Table 1:- Showing the association between the experience of the respondents and the reason for leaving the hospital

H0: There is no association between the experience and reason for leaving the hospital.

H1: There is association between the experience and reason for leaving the hospital.

From the above table, the significant value is .591, which is greater than .05, hence we reject H1 and accept H0. Thus, we prove that there is no association between experience and reason for leaving the hospital

ANOVA

Work pressure					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	27.431	11	2.494	2.107	.025
Within Groups	129.015	109	1.184		
Total	156.446	120			

Table 2:- Showing the difference between the department of the respondents and work pressure

H₀: There is no difference between the department of the respondents and work pressure.

H₁: There is difference between the department of the respondents and work pressure.

From the above table, the significant value is .025, which is less than .05, hence we reject H₀ and accept H₁. Thus, we prove that there is difference between the department of the respondents and work pressure of the employees.

V. MAJOR FINDINGS AND RECOMMENDATIONS

A. Findings:

- 65% of the respondents are female and 35% are male.
- 21% of respondents belong to the age group of 20-25 years and 13% Respondents belong to the age group more than 50.
- 45% of the respondents as the experience for 1-3 years and 8% of the respondents as the experience for less than 1 year.
- It is inferred that it is Adequate opportunities for professional growth, Satisfied with the pay scale, Trained in the area to improve knowledge and working in this organization.
- It is inferred that it is Satisfied with the pay scale, offered position as per my experience, pay and benefits, Periodical promotion, Freedom to express the views, Fair grievances, Company policies and also Very less work pressure
- Most of the employees are working for their experience only, after getting their experience they easily jump to the other organisations.

B. Recommendations:

- Make opportunities for career development and personal growth through training and education.
- Provide opportunities for the employees to share their knowledge.
- Co-relation between the supervisor and the employee can be increased as the respondents are not satisfied with the quality of supervision.
- Offer performance feedback and praise good efforts are results the attrition.

VI. CONCLUSION

The main reasons for the attrition are marriage, higher studies, alternate job opportunity and lack of payment. According to this study, it is concluded that the organisation has good organizational culture, positive working conditions and there is higher career growth development. Interdepartmental culture and work pressure will create the negative impact. Hence the organisation should focus on the measures that will attract the employees to stay in the same hospital.

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