

The repercussion of Compensation and Leadership on the Employee Retention and Job Satisfaction with reference to services industry professionals

Ravinder Kaur

University School of Business, Chandigarh University

Hardeep Kaur

Department of Law, Chandigarh University

Abstract

To identify the variables of services sector professionals on job satisfaction and retention. There are little research on services sector professional in private organization especially in north region. This study is examined to understand the short format used by the organization to engage its employees. A number of factors such as remuneration and leadership will also focus on the pursuit of loyalty and job satisfaction for important employees. The structured questionnaire was received from the faculty members of private teachers. Good Compensation and good leadership give more satisfaction to the employee as well they long time with the organization. With the help of the JSS questionnaire used to evaluate the overall satisfaction of the teachers. There is a positive relationship between these two factors. The reliability and validity of the questionnaire were checked on SPSS and the value is 0.85. Random sampling is used to collecting the data from 100 employees of private organization. The result indicates that a positive relationship between compensation and leadership and play an important role to maximise the job satisfaction of employees. This paper also contribute in the society as well by encouraging the employees to contribute more for the growth of both.

Keyword: Retention, Job Satisfaction, Private Teachers

1. Introduction

Human resource management performs multi-dimensional tasks which majorly includes retaining employees and making them satisfied with their jobs. The organization spends several resources to search for the legitimate labour force and afterward acquire, prepare, and hold them to understand the interests of the organization for their growth. The term human resource management manages the persuasive and proficient treatment of the labour forces. Staff maintenance and turnover will keep on being a significant issue of the 21st century. Thus, the key role is assigned to the human resource to give a fair chance of growth, opportunities, a good salary package, and a safe working environment to the employees. Organizational stakeholders are dissatisfied with today's working conditions and culture in the age of globalisation teachers educationists and services sector ians are introducing and implementing a range of innovative models for the development of teachers which are taken by external management involvement and lower-level leadership is not able to successfully achieve the planned objectives and goals[1]. Nowadays, the competition is on a global scale, and most of the education institutes face obstacles to achieve quality education. Literature also shows that employees are a significant part of the organization and with the contribution of the skills, knowledge, and competencies of the employees, the organizations are getting success to achieve the objectives of the organization. In 2006 indicate in their book that organization invest in the employees [2]. To achieve the organizational goal and objectives, retention is one of the important factor, as it is vital in gaining a competitive advantage over the competitors in the era of globalization and competition[3]. The major challenge for organizations is to retain their employees as skilled employees are not easily available in the market. In the competitive world, working environment of all the organizations either small or large and dealing with facilitate the customers by providing the service or products are continuously triggered by social and economic advancements, which subsequently passed.

1.2 Need of the Study

Job Satisfactions among the Teachers

Job satisfaction and retention create the positive environment for organization as well as for employees in which they can perform their duties [4]. In 2018 explained the leadership influence the employee to reach the particular goals, describe the role of leadership influence the behaviour of other to work the under the any circumstance increase the willingness of employees. Compensations is everything for the employee which they get in return of their work[5].

This article explain that if compensation and leadership provided by the company/organization this will increase retention rate of employees. The cost per recruitment/ placed candidate can be reduce and it also increase the job satisfaction level of employees.

Background: The previous studies suggested us that there is increase in the turnover rate of employee due is to dissatisfaction of job. Some theories believe that new career opportunities increase the turnover rate of employees. Policy maker at individual level

kept the professional competency on first level. In this manner positive relationship and positive environment is created with in the organization. Contemporary self-idea research has shown that self-idea is a multidimensional develop [6].

Work fulfillment depicts our perspectives towards a task and is just a single quality of work mentalities distinguished in the spearheading work [7]. Work fulfillment is regularly alluded to as outward (compensation, work execution, organizations, and rewards) and characteristic qualities or prizes [8]. Outward qualities incorporate unmistakable viewpoints like wages, work execution, organizations, and prizes. Inborn qualities incorporate status, pride, the capacity to cooperate with others, self-esteem, confidence, gathering of information/abilities, and the capacity to utilize and communicate innovativeness [9] These outward and inborn qualities are frequently the reason for estimating instruments of the multidimensional develop of occupation fulfillment [10].

Retention among the Teacher

With each teacher shortage organization hire the new not work on retention of employees. Boyle et al. 1999 in future this will become problematic for organization to stay employee with them for long run. The primary focus on employee retention to reduce the cost of recruitment and training. A salary scale must be increase as life style is demand. Teacher retention and Job Satisfaction are interrelated concept that have to monitor on regular basis.

1.3 Research Gap

Numerous studies have been conducted on a national and international scale on job retention and job satisfaction in various organized and unorganized sectors. Researchers focused that the monetary, non-monetary factors and the working environment are the major factors which affects the performance of services sector ians. This study give attention on employee satisfaction and retention how these two factor effect on organization. However, there are scant numbers of studies in context to job satisfaction in services sector s in context to the Indian services sector system especially at Private teacher's levels.

Following research gaps were recognized after a broad writing audit in the field of teacher's retention, explicitly in the field of private institutes. Most of the existing studies on employee turnover and retention in private educational institutes (teachers) have been carried out in the western context. There are extremely limited studies that have been attempted in-depth study of causes and consequences of faculty turnover in the private teachers of Punjab.

There are no studies which are related to the job satisfaction and retention among the services sector ian of private teachers in Punjab.

There is a dearth of literature on the impact of retention and job satisfaction, most of the existing literature is based upon the one factor, like motivation, fringe benefits, learning opportunities, healthy working environment and organization commitment, but this research will focus to cover many factors to attempt the in-depth study of causes and consequences of turnover of services sector ians in the private teachers of Punjab.

There is not much literature that examines the relationship between retention and job satisfaction in the private Professional. This study would be an attempt to explore these factors and suggest measures to increase retention and job satisfaction.

1.4 Objectives of Study

1. To identify the factors that lead to employee retention and job satisfaction among the services sector in Punjab.
2. To establish a relationship between recognized factors of retention and job satisfaction among services sector in Punjab.

2. Review of Literature

Most companies today face the problem of employee retention. Organizations involve employees in new ways to be successful and reach new levels of success in the competitive world

Carried out to discover the motivating factors (both monetary and non-monetary) that can effectively increase the motivation level of employees. Data was collected from teachers in the city of Birgunj for this study, which revealed that motivational factors and motivational packages have a positive influence on employee motivation in private teachers[11].

In (2017) found that the maximum number of employees left the job due to dissatisfaction[12].

Conducted the study to determine the overall job satisfaction of undergraduate lecturers at universities in Sindh. The study was based on two factors of job satisfaction, a motivator (progress, recognition) and hygiene (interpersonal, guidelines, remuneration) [13]. University teacher training students used a well-structured questionnaire, and 125 people took part in this study. To improve job satisfaction and performance, the researcher suggested that management focus on the work motivators (progress, recognition) and hygiene (interpersonal / administrative relationship, guidelines, remuneration) of the undergraduate faculty. Teachers who want to stay at their school for a longer period of time were discovered. There was also no correlation found between job satisfaction and teaching commitments[14]. Using the demographic variable gender, in (2005) investigated job satisfaction. Female faculty members were more satisfied with their jobs and colleagues, while male colleagues were more satisfied with their pay, promotion, and care. In ventilated the effects of school and organisational characteristics on teacher turnover and, as a result, teacher staffing issues Teacher characteristics such as specialty, age, and retirement account for a sizable portion of sales[15]. Previous theory and research have largely ignored the significant effects of school and organisational characteristics on turnover. According to the data, while public teachers in low-income areas do not have moderately higher rates, larger teachers, public teachers in large school districts, or urban teachers do not have high teacher turnover. Small private teachers, on the other hand, experience a lot of ups and downs.

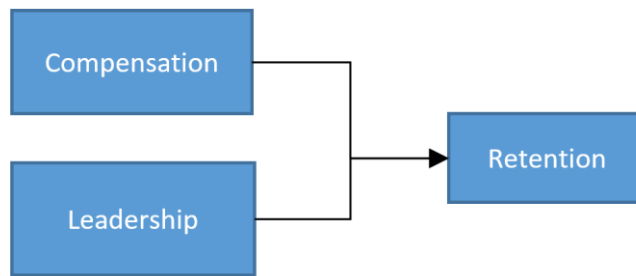


Figure 1: The retention Relationship

Organizational characteristics such as insufficient administrative support, low salaries and problems with student discipline, and limited faculty influence on school decision-making all contribute to higher turnover rates and determine the characteristics of teachers and teachers. The findings show that, as a result of the organisational framework, the problem of low retention predominates.

Research has been differed covering a blend of the before referenced exploration typologies. Hypotheses and models set forth to clarify the peculiarity have been tried utilizing differed develops to confirm their legitimacy across explicit businesses. There is thusly a ton to browse to examine factors adding to worker turnover anyway the causal methodology is picked over different typologies because of the relative 'wealth' of systems, models and speculations for this space of exploration. The creators accept that an examination of the significant worker maintenance speculations inside an industry will illuminate the most steady structure for clarifying the peculiarity.

Herzberg identifies with inherent parts of occupation fulfillment. It centers around profession movement, obligation and accomplishments. This hypothesis considers these components essential for work fulfillment and making the representative stay in the work. This hypothesis considers more cash as a cleanliness factor, the shortfall of which can make the worker disappointed yet its quality can't make the worker more fulfilled in contrast with vocation movement and energizing work. Our study uncovers the equivalent for example representative were happy with their pay rates however they were worried about their vocation. They accept there were insufficient freedoms for professional success.

Job satisfaction reflects a number of related but distinct definitions of job satisfaction. There is no strict definition because different authors or researchers approach job satisfaction from different perspectives based on the nature and importance of the job. Furthermore, defined job satisfaction as "any environmental circumstance in which the employee feels that he is satisfied with my work[16].

"2.1 Theoretical Framework

Job Satisfaction:

Job satisfaction reflects a number of related but distinct definitions of job satisfaction. There is no strict definition because different authors or researchers approach job satisfaction from different perspectives based on the nature and importance of the job. In addition, defined that every environmental circumstance in which the employee feels that he is satisfied with my work is referred to as job satisfaction[17].

Motivation factor-like benefits, compensation achievement and recognition at the workplace make employees more satisfied. On the other hand, the absence of interaction between employee and management, job security, policies, company working conditions leads to non-satisfaction of the employees. One of the aspects is the motivators themselves, i.e. the elements that are primarily responsible for job satisfaction. Motivators can be achievement, recognition and type of work, responsibility and career development. Another aspect he called the hygiene factors. The presence of hygiene factors does not contribute to job satisfaction, but their lack has a negative effect on job satisfaction[18]. Hygiene factors include company policy, supervision, interpersonal relationships, working conditions and salary.

Basics and insight into Maslow's theory of the chain of meanings of necessities for research into job satisfaction. Job satisfaction can be associated with a large part of the levels of Maslow's structure (Wikipedia). People need tasks to meet their real standard needs like food, clothing, shelter and clinical services, etc. For most, work is a basic source of financial security; the better paid and the safer the job, the safer the person feels from a tax point of view. Likewise, a company can give a feeling of connectedness and space. Most people agree with the nature and location of their work themselves. The job and the affiliation to which the worker works structure engaging parts of the person and status of an individual in public.

Versions of job satisfaction argue that terms like job attitudes, workplace satisfaction, and employee morale are interchangeable, which may explain why there is no uniform definition of job satisfaction[19]. Job satisfaction is defined as the reaction of employees who have a positive attitude toward the organisation., referred to job satisfaction as attitude towards the job plays very important role positive shown satisfaction and negative shown dissatisfaction in the employees. Some of the studies explored that female faculty members are more satisfied then male member [20]. Gives importance to working environment at workplace which plays an important role for job satisfaction. Number of factor playing their role in employee retention and satisfaction Murnane, Richard. Worker having long experience and less expectation have stay more in institutions [21].

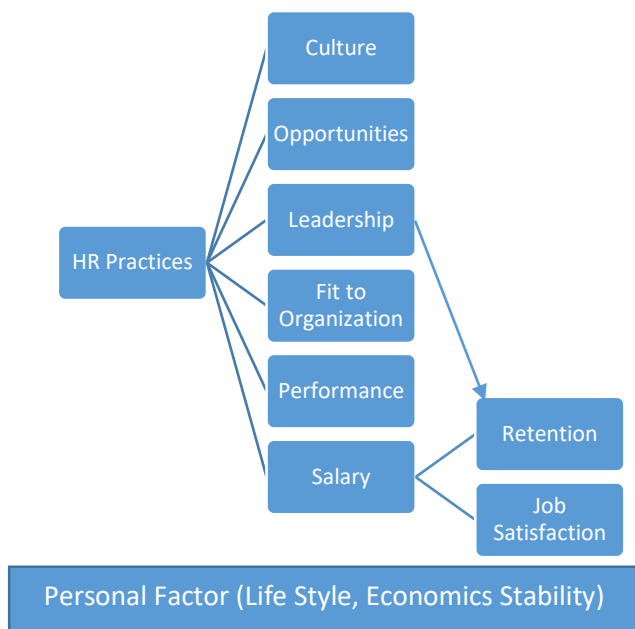


Figure: 2 Conceptual Framework factor influence the Retention and Job Satisfaction

2.2. Hypotheses of the Study:

Based on the results and inconsistencies in the literature review there is association between leadership and compensation played role in employee retention and job satisfaction and determine whether there is any relationship among these factor.

H01. There is no relationship between employee job satisfaction and retention.

2.3 Research Methodology

Based on the literature research discussed above, a theoretical framework was developed .It was created to examine the impact of the compensation and leadership for employee loyalty and to determine the role of job satisfaction and motivation as a moderator in the development of this relationship.

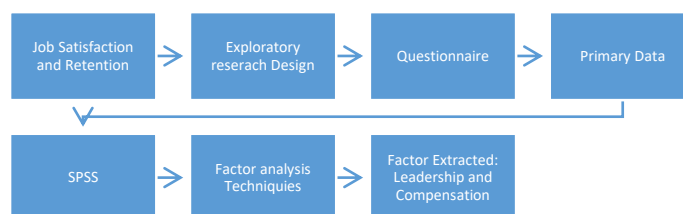


Figure 3 : Research Model

Type of Study: Exploratory cum Descriptive Research Design

Exploratory cum descriptive research design will be used in this research. A cross-sectional data will be used where a sample will be taken only one time from the population.

2.4 Primary Data

The questionnaire method is going to be used to infer answers to the research questions. To find out job satisfaction factors that impact employee retention through a primary survey will be conducted from private teachers in Punjab with the help of a structured questionnaire. This questionnaire is developed with structured scales which have been used by different authors in previous studies.

A self-developed structured questionnaire will be developed. The pre-testing of the questionnaire will be done through a pilot survey from 50 respondents. The responses will feed into the appropriate software to check the value of Cronbach Alpha with value 0.85, which shows the reliability of the questionnaire.

2.5 Secondary Data

Secondary data is taken from various sources such as journals, journals, articles, research papers, books, published reports, e-resources, etc.

Table 2. Demographic Characteristics of Respondents

Demographic Characteristics	Percentage (N=50)	
Gender:	Male	68.4%
	Female	31.6%
Age:	21 – 29 years	14.4%
	30 – 39 years	30.1%
	40 – 49 years	45.2%
	50 years & above	10.4%
Marital Status:	Single	27.1%
	Married	67.0%
Educational Qualification:	B.Sc B.Ed	22.6%
	M.Sc B.Ed	65.7%
	Others	11.7%
Work Experience (Present Organization):	0 – 5 years	21.0%
	6 – 10 years	46.0%
	Above 10 years	33.0%

The strength correlation that exists in the observed variables is shown in Table 2. The correlation between incentives and salary is estimated to be $r=.393$ ($p < 0.001$). Furthermore, compensation as a variable covaries positively with awards ($r=.178$, $p < 0.05$). The covariance between compensation and leadership relationship ($r=0.37$, $p < 0.05$) is positive, as expected.

Research tool - The instrument for obtaining information would be structured questionnaire. The questionnaire will be pretested for its validity and reliability for each construct.

Validity and Reliability of Research Instruments

Variable	Item	R	Sig	Ket	Reliablites	Ket
Compensation	X2.1	0,586	0,00	Valid	0,746	0,760
	X2.2	0,618	0,00	Valid	0,739	
	X2.3	0,780	0,00	Valid	0,685	
	X2.4	0 664	0 00	Valid	0 730	
Leadership	X3.1	0,666	0,00	Valid	0,791	0,801
	X3.2	0,818	0,00	Valid	0,735	
	X3.3	0,785	0,00	Valid	0,754	

According to sekaran in 1992 the realistic limit is 0.7 is acceptable. So as per the table the figures shown that there is positive correlation with compensation and leadership.

Factors	Statements	Mean
ADEQUATE AND FAIR COMPENSATION	Iam satisf ied with the income from the work	0.529
	My f inancia lneeds are fulf illed adequately	0.583
	Iwill continue in the presentjob regardless of pay	0.711
	Iam over compensated in myjob	0.606
	Ifeelhappy with my chances for sa lary increment	0.558
SUPPORT AND LEADERSHIP	Iam pra ised by my colleagues and peer groups for my ability in teaching	0.766
	My superiors pay attention to my grievance	0.617
	My management recognizes our merits	0.584
	Ifeelrewarded by the interest shown by the parents of my Students	0.611
	Sa lary in my institution is as good as most other Institutions offe	0.577

Based on the result the regression analysis shown that compensation and leadership influence the employee retention, 0.45 value indicate by regression coefficient. With this result the first hypothesis is accepted that compensation and leadership has positive and significant influence on employee retention.

Result: Twelve institutional principals and teachers participated in this study. The analysis yielded 4 major themes: Environment impact, recognition, compensation, and leadership. The findings revealed a strong relationship between the main manager's leadership and the performance of the teachers. Compensation with performance has a high correlation and the combination of the principal's leadership qualities and compensation with performance has a very high correlation. The outcomes showed that between head administrative authority and instructor execution there is an extremely high relationship. Between pay with the presentation have high connection and the blend of directors' administrative authority and pay with the exhibition there is an exceptionally high relationship. The outcomes showed that there is an extremely high connection between's the administration of the primary chief and the presentation of the educators. The findings revealed a strong relationship between the main manager's leadership and the performance of the teachers. Compensation with performance has a high correlation and the combination of the principal's leadership qualities and compensation with performance has a very high correlation.

The lack of career advancement opportunities within a company is a major cause of employee turnover. Representatives in their 30s are more likely to quit due to a lack of professional development than for other reasons. Learning opportunities and professional advancement are essential for representative retention. While employees may be retained by providing adequate opportunities for development, there are representatives who may seek alternative positions if the organisation does not make an effort to intellectually captivate these workers and assign them tasks that require inventiveness. This may also imply that a worker's determination (PO fit) plays a role in his maintenance. A worker whose calling objectives do not coincide with those of the organisation will feel uninspired to remain in the organisation and will leave once financial conditions are favourable.

Employees cannot be retained solely on the basis of monetary benefits. Professional inspiration begins with resourcefulness and mental fulfilment. While the actual work may be stimulating, time constraints may transform it into dreary and procedural, wiping out the innovative component. In this way, a balance between efficiency and innovation should be achieved. An overemphasis on efficiency may result in work that is dry and exhausting, leading to job dissatisfaction and, as a result, worker turnover.

Conclusion

Employees are the most important assets of an organization and their contribution gives growth and expansion. The study was focused on the two factor adequate and fair compensation and support and leadership of employee retention and job satisfaction. The result shown that compensation and leadership has positive and significant effect on employee retention However, the abundance of material makes it difficult for me to integrate and produce the study in a concise format.

I have tried to compile all information that is relevant to job satisfaction and employee retention and also paid attention to a factor which gives an impact on it. The study illustrates that job satisfaction improves employee retention.

There were certain limits during the study, such as the availability of time to conduct the research in order to obtain the necessary information. Time was one of the obstacles we faced that forced us to add more data on the importance of this topic. Another limit was access to information that should have been obtained from various associations. The data collected was difficult to obtain because representatives of some associations were reluctant to reveal their actual findings.

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