

# INFLUENCE OF JOB SATISFACTION ON FACULTY RETENTION: A CASE STUDY OF A PRIVATE HIGHER EDUCATION INSTITUTE AT LAHORE, PAKISTAN

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**ABSTRACT:** *This study aims to explore the influence of job satisfaction on faculty retention at a higher education institute of Pakistan. Recent researches in this area have revealed that faculty retention at higher education institutes of Pakistan has become a challenging issue to face. The study is conducted at a higher education institute of Lahore, Pakistan. All full-time faculty members of the institute comprised the population of this study. Out of a total of 403 full-time faculty members at a private higher education institute, seventy faculty members were selected by simple random sampling technique. A scale having integrated internal reliability of 0.944 was used to measure the job satisfaction level among the faculty members. The data collected were analyzed by correlation and regression analysis, using SPSS version 24. The results revealed that the faculty of Private higher education institute of Lahore, Pakistan, are more satisfied with the dimensions, i.e., job support and recognition, compensation and career growth as compared to the dimension of pay and promotion.*

**Keywords:** *job satisfaction, faculty retention, higher education institute*

## INTRODUCTION

Higher education institutes play a pivotal role in the economy of any country. The economy in the 21<sup>st</sup> century is knowledge and technology-based. Higher education institutes transfer knowledge to society and are the hubs of research and excellence. The sustainability and research output of higher education institutes is based on intellectual human capital. Faculty plays an important role in adding excellence into these knowledge hubs through their cognitive abilities, skills, and knowledge [1]. However, it has become a big dilemma for higher education institutes to retain highly qualified faculty at their payroll. Particularly in developing countries like Pakistan, retaining a competent faculty has become a challenge and is needed to be addressed a priori [2, 3].

High faculty turnover can have grave implications on teaching, learning, and ongoing research when the vacated positions are filled by inexperienced faculty members [4].

Smart [5] reported the impact of various faculty retention factors in higher education institutes, he categorized the retention factors on the basis of individual, work and context factors and the satisfaction of the faculty as salary satisfaction, organizational satisfaction, and career growth satisfaction. The level of these different factors plays a major role for faculty to stay or leave the institution.

Higher Education Commission (HEC) of Pakistan, is a regulatory body that monitors the quality of higher education in Pakistan. There are 136 Universities/Degree Awarding Institution (DAI) in Pakistan, out of which 72 belongs to public universities, and the remaining 64 are private universities [6]. In Pakistan, private institutions have a good reputation, towards providing higher education in the country [7].

Retention varies from university to university and from department to department within the universities. Employee retention is not a new concept. It has always been a part of the transition in HEIs; Faculty retention is yet a challenge in Pakistan and is one of the problems facing by the institutions [8]. The switching trend among educational institution has risen during the last decade. Better emoluments from other

institutions provide a base to switch the parent institution these days [9].

In order for HEIs to effectively manage and retain their academic employees, they should pay specific attention to the importance of job satisfaction and its effect on the performance level of employees. There are many predictors of job satisfaction, this study will explore the influence of only three dimensions of job satisfaction on faculty retention at a higher education institute of Pakistan.

## LITERATURE REVIEW

### Faculty Retention

Different occupational industries have many common features that offer opportunities for progressive human resource policies, such as competitive pay, good working environment, and opportunities for growth. To retain academic employees' is a critical and global issue, in affecting both developing and developed countries. By understanding the nature and level of academic retention factors, the academic institution can better strategies the human resource policies to manage and retain the academic staff [10, 11].

According to Seloso. J. M [12], faculty sees job satisfaction as the most important aspect with regard to retaining with the academic institute. Compensation, training and development, and promotion are the most important retention factors for skilled employees [13].

According to Bushe [14], academic staff retention refers to the process of the ability of an institution to retain a competent staff through such human resource policies by providing the faculty a work-life balanced climate, being a choice of employer, managing skilled worker and staff motivation. This also involves having an influence on the decision making of faculty to remain within the institution, even if better job opportunities exist in the market.

An important asset of HEI's is a quality faculty. Recruiting and retaining this quality faculty is important for the institute as losing quality faculty will bring monetary and academic consequences to the academic institute [15].

### Job Satisfaction

According to Herzberg [16], intrinsic elements of the job are related to the actual content of work, such as recognition, achievement and responsibility. These were referred to as 'motivational' factors and are significant elements in job satisfaction. By contrast, Herzberg described extrinsic factors as elements associated with the work environment, such as working conditions, salary, class size, staff assessment, supervisory practices, and benefits. These were referred to as 'context' or 'hygiene' factors which are related to job dissatisfaction. Therefore, job satisfaction is crucial as it is related to job performance and turnover and in the 21st century, this has become a serious problem in the management of educational institutions.

Evans [17], defined job satisfaction of a lecturer as a "state of mind determined by the extent to which the individual perceives his/her job-related needs being met". Guillaume. O. [18], reported a strong impact of job satisfaction on employee retention.

A study by Terera and Ngirande [19], found that job satisfaction has positively influenced the employee retention of academic staff at a selected tertiary institution in the Eastern Cape Province.

Mostafa [20], strongly recommended that employee retention is relayed on job satisfaction. Among all the variables, workplace diversity has the highest influence on job satisfaction. It is believed that diversity in the workplace, able to create a variety of ideas for improvement in job satisfaction as there are different races, different level of job position and different educational background in the organization. In addition, work-life balance also influences job satisfaction.

**OBJECTIVES OF THE STUDY**

**RO1:** To investigate the influence of *job support and recognition* on faculty retention at higher education institute of Pakistan.

**RO2:** To investigate the influence of *compensation and career growth* on faculty retention at a higher education institute of Pakistan.

**RO3:** To investigate the influence of *pay and promotion* on faculty retention at a higher education institute of Pakistan.

**HYPOTHESES**

**H<sub>1</sub>:** There is a statistically significant influence of *job support and recognition* on faculty retention at a higher education institute of Pakistan.

**H<sub>2</sub>:** There is a statistically significant influence of *compensation and career growth* on faculty retention at a higher education institute of Pakistan.

**H<sub>3</sub>:** There is a statistically significant influence of *pay and promotion* on faculty retention at a higher education institute of Pakistan.

**METHODOLOGY AND INSTRUMENTATION**

A descriptive survey approach was adopted to collect data from the full-time faculty members of the higher education institute of Pakistan. A simple random sampling technique was employed to collect data from the respondents, 50 respondents were selected and the instrument was administered to the respondents. The response rate was 100 %.

The scale used was developed by Ozpehlivan (2016), with a Cronbach's alpha coefficient of 0.944, and with a response option on five-point Likert scale, strongly agreed (5), agreed (4), neutral (3), disagreed (2) Strongly disagreed (1).

**DATA ANALYSIS**

The data collected were analyzed for correlation and regression, using SPSS version 24.

**RESULTS**

The data was analyzed using inferential analysis (Pearson Correlation and Regression analysis).

**Table 1: Correlation analysis**

	Job support and Recognition	Compensation and career growth	Pay and Promotion
Faculty retention	0.727	0.770	0.542

\*\*Correlation is significant at 0.01 level (2-tailed).

Correlation results show all three variables “job support and recognition” (correlation coefficient value .727), “compensation and career growth”(correlation coefficient value .770) and “pay and promotion” (correlation coefficient value .542) were found positively correlated with faculty retention.

**Table 2 : Regression analysis**

**2a: Model Summary**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. estimate of error
1	.979	.958	.955	2.44453

a. Predictors: (Constant), compensation and career growth, pay and promotion, job support and recognition

b. Dependent Variable: Faculty retention

**2b : ANOVA**

Model	Sum of squares	Df	Mean square	F	Sig
Regression	6010.318	3	2003.439	335.263	.000
Residual	262.932	44	5.976		
Total	6273.250	47			

a Dependent Variable: Faculty retention

**2c : Coefficients**

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients Beta	t	Sig
Pay and promotion	.112	.087	.063	1.290	.204
Job support and recognition	.962	.084	.564	11.457	.000
Compensation and career growth	1.341	.064	.664	21.017	.000

a. Dependent Variable: Faculty retention  
 \*\*Significant at  $p < 0.05$

**INTERPRETATION AND DISCUSSION**

Out of three independent variables “job support and recognition” ( $p$ -value .000), “compensation and career growth” ( $p$ -value .000) were found significant in explaining faculty retention, whereas “pay and promotion ( $p$ -value .204) were found insignificant in this particular case study. Among all three independent variables “compensation and career

growth” was found to be the most significant dimension in explaining faculty retention (Beta = 0.664). According to the estimated model, a positive and significant influence of two independent variables and one insignificant variable were empirically obtained.

**HYPOTHESES ASSESSMENT**

	Beta values	t	Sig	Findings
<b>H1:</b> There is a statistically significant influence of <i>job support and recognition</i> on faculty retention at a higher education institute of Pakistan.	.564	11.457	.000	Accepted
<b>H2:</b> There is a statistically significant influence of <i>compensation and career growth</i> on faculty retention at a higher education institute of Pakistan.	.664	21.017	.000	Accepted
<b>H3:</b> There is a statistically significant influence of <i>pay and promotion</i> on faculty retention at a higher education institute of Pakistan.	.063	1.290	.204	Rejected

The results revealed that “job support and recognition” and “compensation and career growth” have a positive and significant impact on faculty retention. The third dimension “pay and promotion” has mild to a moderate positive correlation with faculty retention and has shown an insignificant influence on faculty retention with multiple regression, due to the influence of other two dimensions. Moreover, the results identified “compensation and career growth” as the most significant factor at the higher education institute. Hence to retain a faculty at higher education institute it is indispensable to provide faculty an environment of job support, learning, recognition, compensation and career growth that provides to enhance professional skills and career development.

**CONCLUSIONS**

The results of this study showed a significant influence of “job support and recognition” and “compensation and career growth” opportunities on faculty retention at higher education institute of Pakistan, hence the model presented in the study is the significant predictor with 95% variance in retention among faculty members. Further, the statistics showed that compensation and career growth has contributed the most towards the faculty retention, hence it can be a better retention practice in today’s knowledge-based environment by the human resource managers of higher education institutes. The study proposed that educational sector organizations should provide career growth opportunities to their faculty members and may use it as a tool for retaining the faculty. Moreover, management policies of the universities should be aligned with the retention strategies.

The results of this study can be beneficial for the management of higher education institutes, presented in this study, and may increase their retention rate by implementing proper practices of job support, recognition, compensation, and career growth. These results can be useful for academic leaders as well while developing strategies to improve the job satisfaction level of the faculty and retention within the higher education institutions.

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