

## IMPACT OF EMPLOYEE EMPOWERMENT ON RETENTION OF KNOWLEDGE WORKERS IN HIGHER EDUCATION SECTOR

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### **ABSTRACT**

*With the market 'flooded' with job seekers, one would mistakenly think there is an abundance of talent available in the market but the biggest challenge faced by educational institutions in India is the acute shortage of qualified and competent faculties. Therefore, it is of utmost importance that institutions should design and pursue policies/mechanisms so as to compete well in the marketplace to retain the best faculty talent for them.*

*There are a lot of factors that affect the retention of knowledge workers in an educational organization. The present study aims to identify whether sound employee empowerment helps in retaining knowledge workers and to assess various elements of employee empowerment and their effect on employee retention. The area of study to respondents from Rajasthan State and the sample size is 100 faculty members of higher education. The Primary Data has been collected through questionnaire and interview and the Secondary Data has been collected with the help of journals, magazines, books, and internet. The random sampling method was used in present study. The present study concludes from the above that there is a relationship between employee empowerment and Employee Retention.*

*It has analyzed that Autonomy is a major factor that contributes toward employee retention and it has found that various elements of employee empowerment has a positive relationship between employees retention in higher education.*

**KEYWORDS:** *Employee Retention, Job Satisfaction, Employee Empowerment and Higher Education*

### **INTRODUCTION**

In today's competitive educational workplace, a stable workforce of knowledge workers is very important. The National Knowledge Commission too had identified quality deterioration in higher education in a report in 2006. Expressing concern over falling standards of education, Pranab Mukherjee said the shortage of faculty was a major hindrance in ensuring quality education in Indian universities. "Filling up of vacancies must, therefore, be given higher priority". He further said "We must direct our energies in developing Indian universities to meet global benchmarks. There is a need to promote a culture of excellence in them".<sup>1</sup>

In higher education institutions, which are considered as the hub of knowledge along with acquiring best talent, retention of knowledge-workers is also imperative.<sup>2</sup> because high attrition results in major organizational and financial stress in the form of separation costs and replacement costs that result when personnel separate.

There are many factors like skill recognition, trust, transparency, teamwork, innovation, creativity and participation and which also play an important role in their retention. Employee growth and empowerment is one of the key factors which affects employee retention in an educational organizational.

The concept of employee empowerment is an actual comprehensive one including the physical, psychological and social aspects. Empowerment performs to have both positive and negative effects on the psychological and welfare of employees. The employee empowerment can describe a certain degree of responsibility and autonomy for decision- making regarding their organizational tasks.

### **Elements of Employee Empowerment**

- Responsibility
- Autonomy & Authority
- Participation in decision making
- Appraisal and Recognition

### **Impact of Employee Empowerment on Employee Retention**

The very most purpose of this study is to identify the role of employee empowerment on retention of knowledge workers in higher education organizations. Though the employee empowerment forms a physical and mental condition that can affect the motivation and satisfaction of employees and give the feel of belongingness that can affect confidence level or performance of employees. So, ultimately the employee empowerment can influence the satisfaction level of employees or else these factors can consequence the performance of overall.

### **REVIEW OF LITERATURE**

Tower Watson website reveals that in this competitive business environment for the survival of an organization keeping employees stick within the organization is necessary. For retaining employees in an organization, need to make sound empowerment policies and practices so that employees feel appreciated for their contribution to the growth of the organization. Further, it says that in a true sense, empowerment keeps employees engaged to contribute to the success of the business, continues learning and growing in the organisation and feel connected and contributed with throughout the organization.<sup>3</sup>

Punia discusses in his study that in today high degree of business diversity in business environment retaining employees became a challenge. He concludes that due to a lake of sound empowerment strategies Indian organizations found difficulties in retaining the best talent.<sup>4</sup>

Tanaja. S., Pryor. M.G., et al reveal as a result of globalization there is a fair amount of opportunities are available for skilled employees, So organizational leaders must keep their talent stick within the organization. Researchers discuss employee empowerment is a strategically proactive way to keep employees retained in the organization.<sup>5</sup>

Harttline & witt, They examine in the study that employees who are more committed and dedicated to the organization, are tend to perform better and able to deal with work stress and stay with the organization for a longer period of time.<sup>6</sup>

Gul A., Akbar S. et al, their Study suggests that organizational leaders should provide opportunities for career growth and development. Leaders must encourage to employees to take necessary decision for organizational progress.<sup>7</sup>

Oluwaseun. I. S., this study investigates the effect of employee empowerment on job satisfaction which leads to retention. Results show there is the positive relationship between employee empowerment and job satisfaction. Empowered employees are less likely to switch to another organisation.<sup>8</sup>

## OBJECTIVES OF THE STUDY

- To identify whether sound employee empowerment helps in retaining employees.
- To assess various elements of employee empowerment and their effect on employee retention.

## HYPOTHESIS OF THE STUDY

**H01:** There is a significant relationship between various elements of employee empowerment on employee retention.

## METHODOLOGY

**Area of Study:** The area of study to respondents from Rajasthan state.

**Research Instrument:** Structured questionnaire.

**Sample size:** 100 samples.

**Sampling Technique:** Random Sampling Technique

**Data Collection:** The Primary Data has been collected through questionnaire and interview and the Secondary Data has been collected with the help of journals, magazines, books, and internet.

**Analysis of Data:** Once the data has been collected through questionnaire and interview then the simplest and most revealing devices for summarizing data is the statistical table. A table will be systematic arrangement of data in column and rows. The purpose of a table will be simplifying the presentation and to facilitate results.

**Research Instrument:** We introduced 5 variables to frame questions and five-point Likert scale is used for measuring attitude and satisfaction level of employees. The internal consistency has been checked with the help of Cronbach's Alpha and the value obtained by using SPSS (student version 22.0) is 0.749 which is usually considered.

**Table 1**

Reliability Statistics	
Cronbach's Alpha ( $\alpha$ )	N of Items
.749	4

Table 2: Data Analysis

Demographic Profile of Respondents			
Parameters	Category	Frequency	Percentage
Gender	Male	46	46.0
	Female	54	54.0
	<b>Total</b>	<b>100</b>	<b>100.0</b>
Age	20-30	56	56.0
	30-40	40	40.0
	40-50	4	4.0
	<b>Total</b>	<b>100</b>	<b>100.0</b>
Designation	Assistant Professor	92	92.0
	Associate Professor	4	4.0
	Professor	4	4.0
	<b>Total</b>	<b>100</b>	<b>100.0</b>

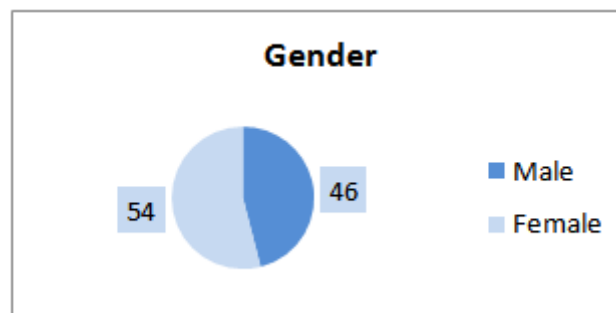


Figure 1: Gender Wise Distribution of Respondents

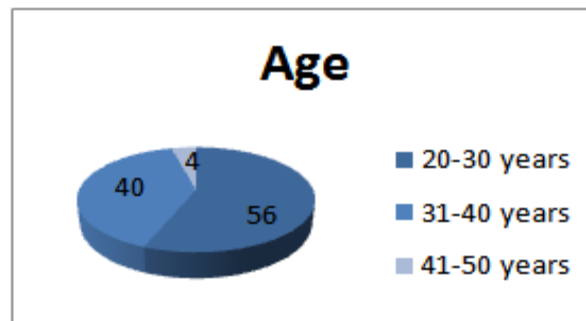


Figure 2: Age Wise Distribution of Respondents

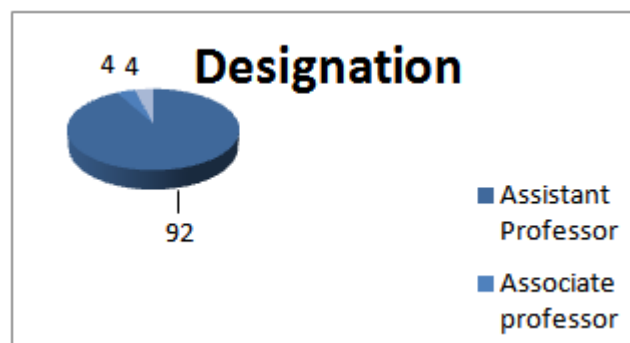


Figure 3: Designation wise Distribution of Respondents

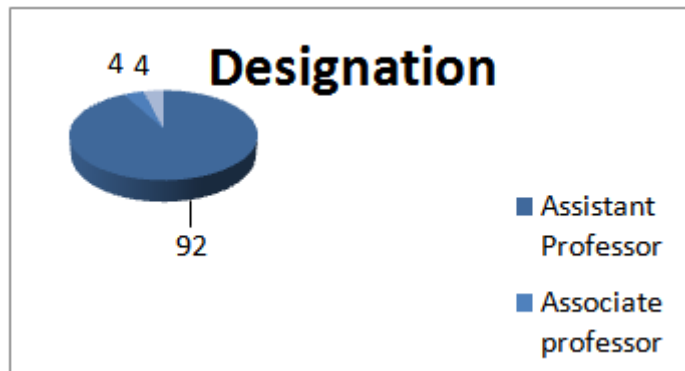


Figure 4

**Inference:** It is evident from the above demographic details of the respondent that research had tried to cover a broad demographic profile of teaching faculty of various universities as respondent. As in the current study, the total sample size is n=100.

Table 3: Rank Analysis

<i>Employee Empowerment</i>				
S. No	Name of the Factor	Weighted Total	Weighted Mean	Rank
1	Responsibility & Authority	204	13.6	4
2	Autonomy	211	14.07	1
3	Participation in decision making	205	13.67	3
4	Appraisal & Recognition	206	13.73	2

**Inference:** As we can see above table it has been evaluated that the **Autonomy** is the major factor which affects employee retention has been ranked first by the respondent. The next factor is **Appraisal & Recognition** and it is ranked second by the respondents. The next factors **Participation in decision making** has been ranked third and fourth are **Responsibility & Authority**.

Table 4: Hypothesis Testing

<b>Correlations</b>		
<b>Appraisal &amp; Recognition</b>	Pearson Correlation	.584*
	Sig. (2-tailed)	.000
	N	100
<b>Participation in decision making</b>	Pearson Correlation	.562*
	Sig. (2-tailed)	.001
	N	100
<b>Autonomy</b>	Pearson Correlation	.634*
	Sig. (2-tailed)	.001
	N	100
<b>Responsibility &amp; Authority</b>	Pearson Correlation	.497*
	Sig. (2-tailed)	.000
	N	100

Correlation is significant at the 0.05 level (2-tailed).

The Present study concludes from the above that there is a relationship between Employee Empowerment and Employee Retention. It has analyzed that Autonomy is a major factor that contributes toward employee retention. Appraisal

& Recognition has a *Person Correlation value 0.584* and *sig. value is 0.000*, Responsibility & Authority has a *Person Correlation value 0.497* and *sig. value is 0.000*, Participation in decision making has a *Person Correlation value 0.562* and *sig. value is 0.001*, Autonomy has a *Person Correlation value 0.634* and *sig. value is 0.001*, which signpost that there is a statistical significance correlation between various elements of Empowerment on employee retention.

## CONCLUSIONS

In today's competitive business environment, organizations can no longer afford to waste the potential of their workforce. There are key factors in the employee's empowerment that impact on employee retention. The present study aims that to identify whether sound employee's empowerment helps in retaining employees and to assess various elements of empowerment and their effect on employee retention. The present study concludes from the above that there is a relationship between Empowerment and Employee Retention.

It has analyzed that Autonomy is a major factor that contributes toward employee retention and it has found that various elements of employee empowerment has a positive relationship between employees retention in higher education.

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