



ASSESSING EMPLOYEE TURNOVER & STRATEGIES TO IMPROVE RETENTION

Healthcare

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ABSTRACT

- **Background & Objectives-** The backbone of any successful business is its employees. The holy grail of a successful business would be that company finds the best people, train the best people and retain the best people. However, in today's modern era of globalization and competitive business, it has become a herculean task for healthcare organizations to retain skilled medical staff due to higher attrition-rates. The present study was designed to determine the employee turnover strategies in - ECHS Polyclinic Kotdwara, Uttarakhand, India.
- **Methods & Material-** A retrospective study was done using previously recorded data of employees of hospital from year 2014 – 2017. A database was created in MS Excel and appropriate statistical analysis was carried out using SPSS ver 14.0.
- **Results-** The results indicate that the hospital was struggling with high employee turnover rates. Widespread variances in ratings were observed across various departments.
- **Conclusion-** The present study consolidates the urgent need of benchmarking employee retention strategies. The call of the hour is that employees must be treated as the most liquid assets of any organization which would make business withstand the outstanding waves of cut-throat competition in healthcare industry.

'Let us cultivate our garden.'- Voltaire

KEYWORDS

Employee Turnover, Employee Retention, Organization, Improvement Strategies.

INTRODUCTION

**'Great things in business are never done by one person.
They're done by a team of people.'**

- Steve Jobs

The greatest asset of any organization is its people. Today's business environment appraises the role of human resource as a strategic partner instead of merely supporting the administration. It is an organization's responsibility to effectively manage the talent of its workforce to achieve sublime business objectives. Talent refers to the ability of learning and its expansion to face and cope up with the new challenges of the dynamic business world.^[1] The holy grail of a successful business would be that company finds the best people, train the best people and retain the best people. After all,

'It is the people in the branch who are the brand. They create and maintain the experience, not the fancy graphics or electronic advertisement.'

- John Berry

In this modern era of globalization and competitive business, it has become a herculean task for most of the organizations in healthcare sector to retain skilled medical staff due to higher turnover of medicos. The World Health Organization (WHO) estimates that out of a total of 59.2 million fulltime paid health workers worldwide, 67% (39,470,000) are health service providers and 33% (19,750,000) are health management and support workers. On average there are 9.3 health workers per 1,000 people worldwide.^[2]

Employee turnover, as defined by *Hom and Griffeth* (1994), is 'voluntary terminations of members from organizations'. It is the rate at which organizations and/or companies hire and fire employees to either represent their firm or leave their firms. Employee turnover is also known as employee attrition.^[3]

A high attrition rate reflects on poor ability of the organization to hold on to its people and can have a direct impact on its efficiency. When an employee leaves, he takes along valuable knowledge about the company, customers, current and past projects and hence company's investment is not realized. Also, co-workers are often required to pick up the slack leading to overtime or disgruntlement and resultant negativity often intensifies for the remaining staff leading to even decreased productivity. Also direct and indirect costs associated with employee turnover get paramount increment. Examples of direct costs include the expenses associated with recruiting replacements or even amplified unemployment taxes. Indirect costs may include a decline in productivity of the remaining employees and/or learning curve errors that often times accompany the hiring of new employees. There may

also be intangible costs such as patient dissatisfaction and diminished departmental morale.



Figure 1 –Impact of Attrition

Therefore in this league, the study of attrition is a crucial aspect because its excess predominantly forecast about the productivity of organization. If the company fails to retain its 'high flyers' it will make classic business errors that will come back to haunt it. With this consideration, the present study was designed to determine the employee turnover strategies in ECHS Polyclinic Kotdwara, Uttarakhand, India.

AIMS & OBJECTIVES OF PRESENT STUDIES

- To identify the percentage of attrition i.e employees that left the organization from 2014-2017.
- To identify the major reasons of attrition in the organization and mend them to improve retention.

DATA COLLECTION & METHODOLOGY

- **Study Type** – Retrospective study
- **Sampling method** – Convenient sampling method
- **Study Participants:** Staff of ECHS PC Kotdwara, Uttarakhand, India.
- **Study Technique** – Observation
- **Study Tool** – Previously recorded Data of employees from year 2014 – 2017.
- **Data analysis** – Done with the aid of MS-Excel sheets. The data was entered in sheets equipment wise and then analyzed with the help of graphs. Appropriate statistical analysis was carried out using SPSS ver 14.0.

- **Ethical Considerations-** Institutional ethical clearance was obtained. Written permission for conducting the study was taken from the hospital administrative authorities.

DATA ANALYSIS AND INTERPRETATION

The data was analyzed on the following parameters:-

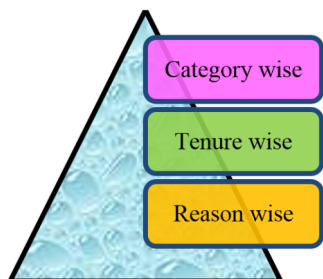


Figure 2- Parameters for data analysis

- Attrition was analyzed category wise i.e –Doctors, Support, Nursing, Front Office.
- Attrition was analyzed tenure-wise i.e FY 2014-15, 2015-16, 2016-17.
- Attrition was analyzed reason wise

- The category Support consist of following departments



Figure 3- Departments in Support Category

RESULTS-

1) EMPLOYEE ATTRITION-CATEGORY WISE

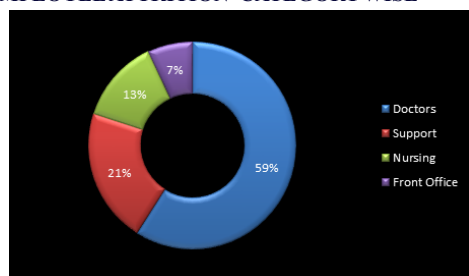


Figure 4- Category wise Employee attrition

- It was observed that highest attrition percentage was of DOCTORS i.e 59%. The second department which had higher attrition rate was SUPPORT category i.e. 21%, carried ahead 13% by NURSING and 7% by Front Office.

2) EMPLOYEE ATTRITION- TENURE WISE

Further each category i.e. Front desk, Nursing, Doctors and Support was observed for attrition financial year wise i.e. (a fiscal year or sometimes a budget year) a period used for calculating annual financial statements of business.

- 2014 April -2015 March
- 2015 April –2016 March
- 2016 April –2017 March

i) DOCTORS –

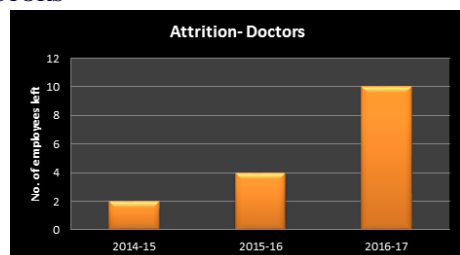


Figure 5 Tenure wise attrition of Doctors

- Attrition is increasing with each FY.
- Reported to be highest in FY 2016-2017.

ii) FRONT OFFICE-

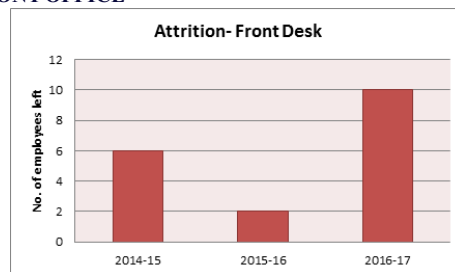


Figure 6 Tenure wise attrition of Front Office

- On observation a decrease was seen in FY 2015-2016 as compared to 2014-2015 and 2016-2017.
- The highest percentage of attrition was reported in FY 2016-2017.

iii) NURSING –

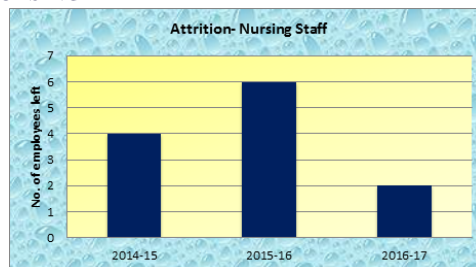


Figure 7 Tenure wise attrition of Nursing Staff

- The hospital was able to retain Nursing staff for FY 2016-2017.
- Highest attrition was reported in FY 2015-2016.

iv) SUPPORT-

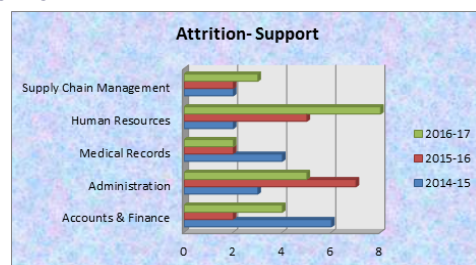


Figure 8- Tenure wise attrition of Support Staff

- Highest attrition for Supply Chain Management was reported in FY 2016-2017, for Medical Records in FY 2014-2015, Human Resources in FY 2016-2017, for Administration in FY 2015-2016 and for Accounts & Finance in FY 2014-2015.

3) EMPLOYEE ATTRITION- REASON WISE

Further the data has been simplified according to the reasons given by the employee before departing from the organization. Each category has been observed individually with the reasons given to terminate the job.

i) DOCTORS

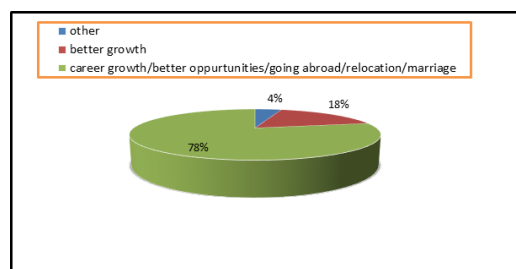


Figure 9 Reason wise attrition of Doctors

- 78% of doctors gave the reason- career growth/ better opportunities/ going abroad/ relocation/ marriage, 18% left with reason of better growth and 4% with no specification.

ii) FRONTDESK

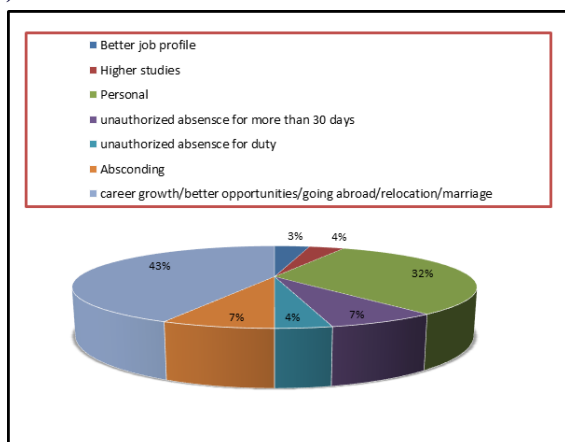


Figure 10- Reason wise attrition of Front-desk

iii) NURSING

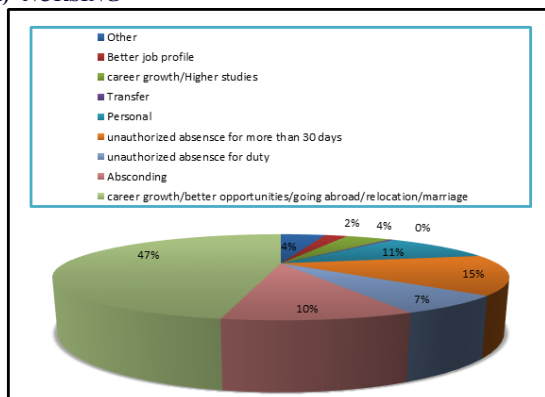


Figure 11- Reason wise attrition of Nursing Staff

iv) SUPPORT

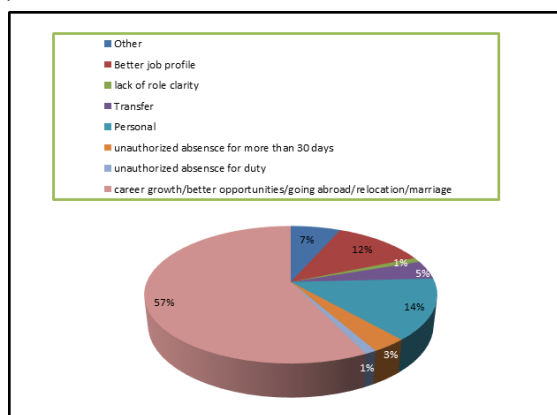


Figure 12- Reason wise attrition of Support Staff

CONCLUSION

Understanding the employee turnover rates and how they impact the sustainability of healthcare organizations is a vital managerial competency. Studies indicate that employee turnover and the loss of the skilled workforce remains one of the highest-ranked organizational risks and has a significant impact on the sustainable strategic goals of healthcare organizations. In the same vein, the present study also indicates there is a strong correlation with high employee turnover and the ability to provide high quality patient care given the attitudes and perceptions healthcare workers hold about their organization.

In order to effectively deal with employee turnover, healthcare managers should carefully track their employee turnover rates so they can effectively manage their current and future staffing needs. Therefore healthcare managers need to research the standards associated with their specific department, specialty or setting so they can benchmark their employee turnover rates against those in similar departments or settings. Once that information is properly determined, they can review the reasons employees leave and develop a plan to decrease their employee turnover rate if necessary.^[5]

RECOMMENDATIONS -

- Sponsorship for training programs or courses related to the employee's profiles to improvise their knowledge and competencies. This may enable them to grow within the organization.
- Employee engagement survey can be held so as to keep the best of the staff at work and also to reduce the cost of recruitment and training.
- Exit interviews should be conducted so that an exact cause of attrition can be monitored and elided.

Also a good employer should know how to attract and retain its employees. After all, employees are the backbone for success of any business. Employee Retention involves taking measures to encourage employees to remain in the organization for the maximum period of time. *Les Mckeown's* defined employee retention as, 'A systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that addresses their driver needs.'



Figure 13 Key areas in Employee Retention^[4]

Employees today are different and dynamic in nature. They are not the ones who don't have good opportunities at hand. As soon as they feel dissatisfied with the current employer or the job, they switch over to the next job. There is no dearth of opportunities for a talented person. It is therefore responsibility of the employer to retain their best employees. Hiring knowledgeable people for the job is essential for an employer. But retention is even more important than hiring since employees are the backbone of any business success.

'If you take care of your employees, they will take care of your costumers and your business will take care of itself.'

-J.W. Marriot

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