

Faculty Departure Intention at Indian Business Schools

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Abstract

“Education is the process of the individual mind getting to its full possible development.....It is a long school which lasts a.....life time

*A nation is built to a large extent in its educational institutions – in its classrooms, laboratories, libraries and playing fields. The teacher is the backbone of the educational system, the maker of mankind and the architect of society. Presently, the biggest challenge faced by technical educational institutions in India is the acute shortage of qualified and competent faculties (Times News Network, 2006). The retention of this community in educational system especially individual institutes is necessary for the effective and proper use of the resources for rendering maximum service to society through building up the future human-resource pool of the nation. The phenomenal growth of Indian industry over last two decades has resulted in increasing demand for efficient business managers from business schools. And how could one think of generating efficient business managers if the **expectation** of faculty members-the one which transforms a student into business tycoon is not fulfilled and that thus the feeling of ignorance among faculty members leads them to go for **intention to leave** the institution. Turnover intention is a condition which destroys the working condition and leads to extreme fall of productivity in the workplace. **Turnover intention** is a condition in which the employee is only physically present in the workplace. Therefore, keeping into mind the same thought i.e **retention** of such segment the study was undertaken to understand the point that why faculty members intend to leave. This study is designed to analyze the gap between the expectations of faculty members at the time of joining from the institute and services actually being offered to the faculty members after joining by the **business schools** as this gap analysis will help in bringing out the major reasons for faculty being not satisfied and thus intends to leave. The sample size taken for the exploratory research is 300 faculty members from the accredited business schools of northern India undergoing non probability technique of sampling for the study. The findings of the research concludes that institutes are not able to fulfill the expectation level of faculty members, in other words the actual **offerings** by the institute are significantly inferior to what is expected by the faculty members from the institute at the time of joining.*

Keywords: Turnover, Intention to leave, Retention, Expectations, Offerings, Business Schools

I. Introduction

Retaining valuable employees is one of the important issues for competitive organizations today as employees are the most valuable assets in any company. It is usually in a company's best interest to put its energy in retaining the quality employees that they already have, and not recruiting them. However, increasing employee turnover has been a trend in many organizations today. Presently, the biggest challenge faced by technical educational institutions in India is the acute shortage of qualified and competent faculties (Times News Network, 2006). The genesis of this lies in rapid mushrooming of technical institutions (Table II) on account of surging demand of technically trained manpower by

fast growing industrial sector of Indian economy; and abysmally low number of Ph.Ds/Fellows in technical disciplines from premier institutions opting for the teaching careers on account of possibility of higher incomes from the non-academic career options {Rosenfield & Jones, 1988}. Further the problem of faculty shortage has been accentuated due to the entry of foreign universities in the India post to enactment of provisions of GATS Agreement to education sector in India in April 2005. This has resulted in a scenario where technical institutions in India are vying with each other to attract & retain for them the best available faculty talent. Therefore, it is of utmost importance that technical education institutions should design and pursue policies/mechanisms so as to compete well in market

place to attract and retain for them the best faculty talent. With preceding background, this paper offers some reflections, growing out of my personal experiences as faculty in a variety of institutions and informal discussions with faculty members in a variety of institutions, on the possible strategies that institutions can adopt to attract & retain for them the best available faculty talent.

Turnover Intention

Turnover intention refers to the individual's own estimated probability that they are permanently leaving the organization at some point in the near future {Mobley, 1982; Mowday et al., 1982; Vandenberg & Scarpello, 1990}. {Mobley,1977} conceptualized intent to stay/exit the organization as the final stage in the psychological decision making process of a person before leaving the organization. Since then, it has become the immediate precursor to actual turnover behavior in many turnover models, and has been regarded as the strongest predictor of actual turnover {Smart, 1990; Hom, Caranikas-Walker, Prussia, & Griffeth, 1992; Mobley, et al., 1978; Hom, Griffeth, & Sellaro, 1984; Mobley, 1982; Steel & Ovalle, 1984; Steers & Mowday, 1981}. {March and Simon,1958} identified the following major elements involving an individual's decision to stay or leave a particular employment situation: (1) the individual's ease of movement, (2) the perceived desirability of moving to a new employment situation, (3) the balance of inducements and contributions that the individual rationalizes as what they are due based on the first two elements, and (4) the particular decision made by the individual to remain or to leave. A carefully thought-out process occurs before a person's departure decision, during which the individual weighs career benefits and losses from such a career move. {Rosenfeld and Jones,1988} noted that even within academia, people trade prestige for salary, rank, and other resources when moving among institutions. Such trade-offs would be even more complicated when moving out of academia. Some individuals often are not just following their own careers but are taking into consideration a spouse's career, children's education, and other personal factors. Many studies have focused on specific elements that contribute to a faculty member's departure or departure intentions. Studies on performance and productivity, work environment,

faculty satisfaction, compensation, academic labor market, and personal characteristics have contributed to our understanding of faculty departure. Intention to leave and actual turnover are often highly correlated. For this reason, researchers often use intent to leave as a proxy for turnover. {Price,1977} developed a model of turnover which proposes that intention to leave is influenced by personal characteristics, role related characteristics, facility characteristics, turnover opportunities, and job characteristics. {Mobley,1982}, on the other hand classes the causes and correlates of turnover into a simple model, which presents the determinants into external economy, organizational variables and individual variables.

Objectives of the Study

- To know the services being offered to the faculty members by Business Schools.
- To identify the expectation of faculty members from the Business Schools.
- To analyze the gap between expected and actual services being offered to the faculty members by Business Schools.

II. Research Methodology

The Study

The Study was exploratory in nature with survey being used as a method to complete the study.

Sampling Design

- Population : Faculty Members of accredited Business Schools of Northern India
- Sample Size : 300 Faculty Members
- Sample Element : Individual respondent of various accredited Business Schools of Northern India were part of my study
- Sampling Technique : Non Probability Sampling

Tools used for Data Collection

- Self designed questionnaire was used to solicit response from the respondents

Tools used for Data Analysis

- In order to analyze the difference between expected services and offered services by the accredited Business Schools to their faculty members, the **t-test** was applied.

H1: There exists significant difference between the expected services by the faculty members from the institute and services offered by the institute to the faculty members.

t – test (See Table I)

- **Spouse hiral programmes**

t-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (2.64) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference exist between the expectations and offerings of spouse hiral programmes to the faculty members of accredited business schools.

- **FDP Cell**

quiet higher than the cut off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings as far as Exit interviews are concerned to the faculty members of accredited business schools.

- **Written HR policies**

t-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (11.08) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings towards HR policies formulation by the business schools.

- **HR Department**

T-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India.

III. Result and Discussion

When a faculty member joins a new institute, he is having a lot of expectation from the b-school. After spending some tenure in the institute, he/she start comparing the actual offerings from the institute with expected services actually provided.

In order to analyze the difference between expected services and offered services by the b-schools to their faculty members ,the t-test is applied .The null hypothesis of t-test can be expressed as

H0: There is no significant difference between the expected services by the faculty members from the institute and services offered by the institute to the faculty members.

t-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (5.89) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings related to FDP programmes to the faculty members of accredited business schools.

- **Exit Interviews**

T-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (9.13) is more than the cut-off value and

If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (8.96) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings as far as existence of HR department is concerned in the accredited business schools.

- **Schemes**

T-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (13.47) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings as far as existence of schemes like super annuation allowance, long term stay bonus is concerned to be provided to the faculty members in the accredited business schools.

- **Employee Benefits**

T-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (6.77) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings as far as employee benefits being provided by the business schools to its faculty members are concerned.

- **Financial assistance for research**

T-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (6.97) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings as far as financial assistance being provided for the research activities to the faculty members of the business schools is concerned.

- **Special Incentives for publication**

T-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (10.65) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings of special incentives for publication being provided by the accredited business schools to its faculty members.

- **Best Faculty Cum Researcher Award**

T-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (11.08) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the

expectations and offerings as far as existence of 'Best Faculty Cum Researcher Award' such practice is concerned for the faculty members in the accredited business schools.

- **Sixth Pay Commission**

T-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (8.90) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings as far as existence of Sixth commission in the term of compensation being given to its faculty members by the accredited business schools is concerned.

- **Faculty Induction Programmes**

t-test was applied to evaluate difference in expectations and offerings to faculty members by the accredited business schools of northern India. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

The null hypothesis has been rejected because the t-test value (4.78) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference existing between the expectations and offerings as far as existence of HR practice that is 'Faculty Induction programmes' which is given to the newly joined faculty member in the accredited business school is concerned.

Implications of the Study

Study will provide an outlook to Higher Educational Institutions especially technical and professional education colleges in designing their HR policies as the study will let them know the expectations of faculty members from the

institution and also would help in gap analysis between the expected and offered services being provided to the faculty members by them. This study will also help in facing the unwanted heat of employee turnover and designing retention strategies.

IV. Conclusion

The objective of the study was to find out the difference between the expected and actual services being offered by the Indian Business Schools to the faculty members. The findings of the research conclude that there is a significant difference in the expectation and offerings of the faculty members. The results of the t-test is shown in table 1, the results indicate that with 95% confidence level the null hypothesis cannot be accepted since the p value of all the individual variable is less than 5% as well as the t statistic is statistically significant (greater than > 2) the results also indicate that initially the expectation level of faculty members is very high represented by greater mean scores as compared to mean score of the offered services of the institute. Hence, it can be concluded by the results that institutes are not able to fulfill the expectation level of faculty members, in other words the actual offerings by the institute are significantly inferior to what is expected by the faculty members from the institute at the time of joining. And if this difference is not taken into account seriously by the management and effectively concerned. The increasing gap between the expectation and offerings can lead to the feeling of 'intention to leave' among the faculty members of the institution. And once this feeling arises becomes very difficult to control and manage. And nobody comes to know when the feeling of intention to leave takes the shape of 'Faculty Turnover'. Thus it becomes prime responsibility of the management to focus and pay attention towards formulating policies that would help in retaining faculty members.

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Table II : Growth in Higher Education in India

Type of Institutions	1950-51	1990-91	2001-02
Universities	30	177	253
Colleges	750	7,346	13,150
Enrolment (000's)	263	4,425	8,821
Teachers (000's)	24	272	427

Source: UGC Annual Report, 2001-02 and UGC brochure.

Table I : Gap Analysis between the expected and offered services provided by B –Schools (using t-test)

Variable		Mean Score (S.D)	T- Statistic (P Value)	Remark
Spouse Hiral Programmes	Expected	2.94 (0.14)	2.64 (0.01)	Significant Different Exist
	Offerings	2.56 (0.11)		
FDP Cell	Expected	4.07 (0.11)	5.89 (0.00)	Significant Different Exist
	Offerings	3.11 (0.13)		
Exit Interviews	Expected	3.92 (0.11)	9.13 (0.00)	Significant Different Exist
	Offerings	2.42 (0.12)		
Written HR policies	Expected	4.35 (0.10)	11.08 (0.00)	Significant Different Exist
	Offerings	2.45 (0.13)		
HR Department	Expected	4.22 (0.11)	8.96 (0.00)	Significant Different Exist
	Offerings	2.62 (0.13)		
Schemes (Long term stay bonus and super annuational allowance)	Expected	4.42 (0.09)	13.47 (0.00)	Significant Different Exist
	Offerings	2.41 (0.12)		
Employee Benefits	Expected	4.52 (0.10)	6.77 (0.00)	Significant Different Exist
	Offerings	3.35 (0.13)		
Financial assistance for research	Expected	4.37 (0.10)	6.97 (0.00)	Significant Different Exist
	Offerings	3.35 (0.12)		
Special Incentives for publications	Expected	4.31 (0.10)	10.65 (0.00)	Significant Different Exist
	Offerings	2.66 (0.12)		
'Best faculty cum researcher award'	Expected	4.23 (0.11)	11.08 (0.00)	Significant Different Exist
	Offerings	2.34 (0.12)		
Sixth pay commission	Expected	4.49 (0.10)	8.90 (0.00)	Significant Different Exist
	Offerings	2.95 (0.14)		
Faculty Induction programmes	Expected	4.86 (0.46)	4.78 (0.00)	Significant Different Exist
	Offerings	2.50 (0.12)		