

The Public University Administrators Retention Factors: A Preliminary Analysis

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Abstract

Purpose: Researchers have explored ways to explain employee's retention and its effects on various groups and individuals. Unfortunately, retention study focusing on Malaysian Public Universities administrators is limited. Therefore, this study intended to examine the factors that can positively contribute to university administrators' retention.

Design/methodology/approach: This study utilises the descriptive research design, and precisely, the cross-sectional approach. A structured self-administered questionnaire was developed to analyse the influence of Human Resource Management practices (recruitment and selection, training and development, performance appraisal, and compensation benefits) on the university administrators' intention to stay. A total of 36 respondents took part in this preliminary study.

Findings: The correlation analysis results indicated that only performance appraisal is significantly correlated with intention to stay, demonstrating a significant positive relationship among the two variables. However, from the four individual items of performance appraisal, the utilisation of a structured employment test received a moderate agreement level, indicating that further improvements are required.

Practical implications: Employee's retention is an essential topic of study because it is one of the critical elements in a corporate goal. The findings would provide better insights to the higher learning institutions on what they should do to retain their employees.

Originality/value: There is a noticeable lack of empirical findings focused on Malaysian public university administrative staff retention. Hence, this study is trying to fill the gap in the literature and propose suitable determinants that suit the university's sustainable HRM policies and strategies so that talented employees are motivated to stay.

Keywords: Employees Retention, HRM Practices, Intention to Stay, Universities Administrators

Introduction

Studies on employees' retention are issues of widespread research, and hundreds of studies on this topic have been done (Holtom, Mitchell, Lee, & Eberly, 2008). It is also an ongoing topic of research (Aust, Matthews, & Muller-Camen, 2020), especially in the context of Malaysian organisations. Employee's retention is an essential topic of study because it is one of the critical elements in a corporate goal. It requires the organisation to formulate sustainable HRM policies and strategies to foster positive work atmospheres that promote employee's engagement, competitive pay and benefits, and healthy work-life balance so that talented employees are



motivated to stay to reduce turnover. Therefore, many researchers have explored ways to explain employee's retention and its effects on various groups and individuals. Unfortunately, the study examining the Malaysian employees' organisational attitudes and retention is somehow limited, especially when related to the Malaysian Public Universities administrators. There is a noticeable lack of empirical findings focused on the retention of Malaysian public university administrative staff. Previous studies conducted focusing on Higher Learning Institutions (HLIs) were found to focus on understanding the behaviour of the academic staff and the factors that influence their behaviour. The retention factors that affect the administrative staff's behavioural intentions might differ from others because of the differences in their line of reporting and job roles (Siti Asiah et al., 2020). Hence, it is pertinent to identify the contributing retention factors and their specific influence on the administrative staff's behavioural intentions. The findings would provide better insights to the HLIs on what they should do to retain their employees. Furthermore, with the current changes and challenges faced by HLIs, retaining competent non-academic staff will be difficult (Stone & Deadrick, 2015).

Essentially, HRM practices have been repeatedly reported as having significant effects in influencing the retention of Malaysian employees. However, the reported practices were found to vary from one study to another. Hence, with the shortage of empirical studies of HRM practices in the Malaysian context, further studies are needed to identify the appropriate mix of HRM practices that can effectively influence the intention to stay of the HLIs administrators. Henceforth, this study intends to achieve the following objectives, 1) identifying the perception level of agreement of the four components of human resource management practices (recruitment and selection, training and development, performance appraisal and compensation benefits), 2) to identify the perception level of agreement of intention to stay, and 3) to examine the relationship between human resource management practices and intention to stay.

Literature Review

Studies on HRM have shown the functional importance of HRM practices in assisting employers to effectively and efficiently manage their employees in achieving organisational goals. It was also reported that HRM practices are having strong associations with job embeddedness (factors that influence employees to be attached to the job), which will significantly affect employees' productivity and job performance (Wei, John, & Jos, 2016). Therefore, this will bring a positive impact on functional retention, which is the ability of an organisation to retain the high performers and allowing the low performers to leave (Renaud, Morin, Saulquin, & Abraham, 2015). Otherwise, if the high performers leave while the low performers stay, retention will be dysfunctional, which will be a waste of resources to the organisation (Hausknecht, Rodda, & Howard, 2009).

Dysfunctional retention can trigger voluntary termination. It results from an activity that the employer has no control of, which means the employees resign on their request to join another company. The setback from this process often results in the company losing talented and skilful employees. As such, the ability of an organisation to retain competent employees is essential, especially in today's challenging economic environment, where there is a shortage of critical talents in the industry (Aminuddin, 2018). Therefore, organisations that can retain their high performers may have an added advantage compared to those losing their high performers because they might also bring their contacts, knowledge, expertise, and networking (Harun, Md Shahid, Othman, A Rahman, & Gumbri, 2021).

According to Huselid (1995) and Delery and Doty (1996), the implementation of good HRM practices significantly enhances organisational performance and productivity and positively influences employees' intention to stay. The researchers also recommended that organisations



to choose and implement the best set of HRM practices that suit their organisation's requirements. This is in line with the recommendation posited by the Met-Expectation Model (Porter & Steers, 1973), which reported that dissatisfaction is triggered by the organisation's inability to meet the employee's expectations and will consequently affect the employee's turnover intentions. Several researchers shared the same understanding and reported that despite the growing list of HRM practices dimensions; recruitment and selection, training and development, performance appraisal, and compensation and benefits are still considered a valid and highly influential element in managing human resources in today's organisation (Harun, Shahid, & Othman, 2017). If they are well managed, organisations will be able to increase job satisfaction and reduce employees' turnover intention.

Therefore, in the context of this study, consistent with the findings of past researchers, the HRM practices proposed for this study are recruitment and selection, training and development, performance appraisal, and compensation and benefits. Aminuddin (2018) defined recruitment as finding candidates that fit the company's requirements for suitable job positions within the organisation. The next process involved is the selection process, whereby only qualified candidates are shortlisted from the list of applicants. Once they are employed, employees may need to attend training and development programmes to enhance their knowledge and capabilities. According to Armstrong and Taylor (2020), training is a guided and planned systematic instructional activity that can assist in building the necessary skills and knowledge needed by the employees to perform their job. The enhancement programmes developed later throughout the employee's career are known as development, which prepares the employees for promotion.

The employees are then subject to performance appraisal or evaluation after reaching certain time intervals. The purpose of this process is to compare the employee's job performance as compared to the agreed achievements standards or targets assigned, usually following the employee's job roles and position (Armstrong & Taylor, 2020). The final variable of HRM practices under this study is compensation and benefits. Compensation refers to wages, salaries, incentives, commissions, or bonuses paid to the employees due to the works performed for the organisation's benefits (Gary, 2019). On the other hand, benefits are medical coverage, vacations, and work insurance provided to the employees as an appreciation for the works being done or as coverage from unwanted or risky works performed for the organisation.

Methodology

This study utilises the descriptive research design and uses the mean and standard deviation scores to examine the perception levels of agreement of the four dimensions of human resource management practices. The strength of association between the variables is determined through the analysis, enabling the study to achieve the research objectives. The study then employs correlation coefficient analysis to measure the association between HRM practices and intention to stay. The purposive sampling technique is used as the selection method in this study due to the fact that it is impossible to obtain a comprehensive list of the population. According to Tongco (2007), purposive sampling is a non-random technique with no specific underlying theory requirements or a minimal set number of participants. Thus, anyone with the proper knowledge is eligible to be part of the participant to assist the researcher in resolving the research issues.

A structured self-administered questionnaire is used to collect the data for each study variable. The questions asked in the questionnaire are based on established instruments. The respondents involved in this preliminary study are the public university administrators within the job grade of Grade 41 to Grade 54. This preliminary study received 36 responses, and all responses are coded and analysed accordingly. The instrument is administered in English and Bahasa



Malaysia to ensure that the respondents clearly understand the statement. A 5-point Likert Scale, ranging from 1 = strongly disagree to 5 = strongly agree, are applied to measure the participants' feelings about specific issues under study. In this study, the four dimensions of HRM practices (recruitment and selection, training and development, performance appraisal, and compensation and benefits) are measured using 20 items measuring scales developed by Delery and Doty (1996), Koch and McGrath (1996), and MacDuffie (1995). The employee's intention to stay is then measured using a seven-item measuring scale developed by Mowday, Koberg, and McArthur (1984) and Walsh, Ashford, and Hill (1985).

Results and discussion

The variables utilised in this study are tested using the reliability test to ensure the internal consistency of the measures. This study utilises Zikmund, Babin, Carr, and Griffin (2013) measures, with a minimum Cronbach's Alpha acceptable reliability of 0.60; below that, the measure's reliability is considered poor. Yockey (2016) also used the same indicator and explained that the coefficient alpha value of 0.60 is an acceptable marginal value in determining the internal consistency among a set of items. Therefore, in this study, the range of Very Good reliability is when alpha value range from 0.80 to 0.95; Good reliability when alpha value range from 0.70 to 0.80; Fair reliability is when alpha value range from 0.60 to 0.70; and Poor reliability is when alpha value is less than 0.60. Therefore, based on the reliability test conducted on the responses received, the lowest Cronbach's alpha value $\alpha = 0.60$ is for Compensation and Benefits. The highest Cronbach's alpha $\alpha = 0.94$ is for Intention to Stay. Table 1 summarises the results of the reliability test.

Table 1: Summary of the Scale Reliability (n = 36)

Variables	Items	Cronbach's
		Alpha
HRM Practices		
Training and Development	8	0.65
Performance Appraisal	4	0.82
Recruitment and Selection	4	0.78
Compensation and Benefits	4	0.60
Intention to Stay	7	0.94

Subsequently, the mean and standard deviations scores are analysed to understand the variability and interdependence of the subscales. The scores are then used to determine the intercorrelation between the individual factors. Table 2 shows the mean scores and standard deviations of the four components of HRM practices. The results indicated that the mean scores for the four HRM practices components ranged from 3.20 to 4.04. From the analyses, the highest perception level of agreement is performance appraisal (M=4.04, SD=0.75). This is followed by recruitment and selection (M=3.80, SD=0.84) and training and development (M=3.59, SD=0.55). The lowest mean is compensation and benefits (M=3.20, SD=0.72). Therefore, based on Table 2, it can be concluded that only performance appraisal, and recruitment and selection received a high perception level of agreement. Hence, signifying an excellent acceptance level of the current practices implemented. On the other hand, Training and Development, and Compensation and Benefits received only a moderate perception level of agreement. Thus, indicating that further improvements are required in these two areas.



Table 2: Mean Scores and Standard Deviations of the Four Components of HRM Practices

Variables	Mean	Std. Deviation
Training and Development	3.59	0.55
Performance Appraisal	4.04	0.75
Recruitment and Selection	3.80	0.84
Compensation and Benefits	3.20	0.72
Overall HRM Practices	3.66	0.53

Table 3: Levels of Agreement of HRM Practices

Level	Scale
Low	1.00 - 2.33
Moderate	2.34 - 3.67
High	3.68 - 5.00

Mean and Standard Deviation of the Four Components of HRM and Intention to Stay

The results of the mean perception levels of agreement and standard deviation of the individual items of the four components of human resource management practice and intention to stay are discussed in the following section.

Mean and Standard Deviation of Individual Items in Training and Development

The results displayed in Table 4 indicated the perception level of agreement for the eight items of Training and Development. Staff awareness of positions available for promotion received the highest perceived level of agreement (M=4.08, SD=0.87). Meanwhile, staff are provided with an extensive training programme (M=3.92, SD=0.84), and there is unlimited career progression opportunity (M=3.92, SD=1.30), received the second-highest perceived level of agreement. Conversely, staff attends training programmes at least once a year (M=3.50, SD=1.50), and Head of Department aware of staff career aspirations (M=3.50, SD=0.74), received the least perceived level of agreement.

High mean values show that the administrative staff are satisfied with the training and development opportunities provided by the university. However, there is still room for improvement in terms of training numbers that need to be attended in a year and awareness of the Head of Department on staff career aspirations. Both items received only a moderate level of agreement regarding their implementation or fulfilment at their workplace.

Table 4: Training and Development

Variables	Mean	Std. Deviation
Extensive training program	3.92	0.84
Training frequency	3.50	1.50
Formal training to prepare for job	3.81	1.04
Training for future career development	4.06	0.89
Clear career path	3.81	0.75
HOD is aware of staff's career aspirations	3.50	0.74
Aware of positions available for promotion	4.08	0.87
Limited career progression	3.92	1.30



Mean and Standard Deviation of Individual Items in Performance Appraisal

As shown in Table 5, the highest perception level of agreement among the four items in the Performance Appraisal variable is that the staff are notified of their appraisal results through a formal feedback system (M=4.42, SD=0.91). However, the objective performance evaluation process needs to be improvised as it received a moderate level of agreement (M=3.58, SD=1.00) regarding its implementation at the employees' workplace.

Table 5: Performance Appraisal

'ariables	Mean	Std. Deviation
Reliable evaluation process	3.94	0.89
Objective performance evaluation	3.58	1.00
Appraisal results feedback	4.42	0.91
The setting of performance objectives	4.22	0.93

Mean and Standard Deviation of Individual Items in Recruitment and Selection

The mean and standard deviation scores of Recruitment and Selection within the organisation is shown in Table 6 below. The results show that the highest perceived level of agreement is the utilisation of a standardised interview process (M=4.14, SD=0.90). In contrast, utilisation of a structured employment test (M=3.36, SD=1.15) received a moderate agreement level, indicating that further improvements are required.

Table 6: Recruitment and Selection

Variables	Mean	Std. Deviation	
Structured employment test	3.92	1.23	
Evaluation of recruitment instruments	3.78	1.02	
Hiring process	3.36	1.15	
Standardised interview process	4.14	0.90	

Mean and Standard Deviation of Individual Items in Compensation and Benefits

The descriptive analysis results of Compensation and Benefits is shown in Table 7 below. Results indicated that staff are rewarded based on their job performance received the highest perceived level of agreement (M=3.61, SD=1.08), followed by rewards and benefits plans are consistently reviewed and updated (M=3.50, SD=1.08). However, the seniority-based promotion received a deficient moderate level of agreement (M=2.61, SD=1.25), signifying a point of concern to all administrative staff that may require urgent attention and improvement.

Table 7: Compensation and Benefits

Variables	Mean	Std. Deviation
Job performance-based reward	3.61	1.08
Seniority based promotion	2.61	1.25
Flexible benefits scheme	3.08	1.02
Updated reward and benefits plan	3.50	1.08

Mean and Standard Deviation of Individual Items in Intention to Stay

Table 8 shows the descriptive analysis results pertaining to the items measuring intention to stay. Overall results indicated a high level of agreement on the administrators' intention to stay. I have no intention to quit my job received the highest perceived level of agreement (M=4.39 and SD=0.93). The second-highest level of agreement is about not having any intention to



contact a recruitment agent to look for other job opportunities (M=4.11, SD=1.06) and not planning to seek a new job in the near future (M=4.11, SD=1.01). Under the intention to stay variable, the lowest perceived level of agreement is despite receiving a better job offer, I will remain with my current employer (M=3.64, SD=1.25). Generally, the administrators' high perception level of agreements indicates that they are satisfied with the treatments they currently received and have no intentions to leave the organisation in the near future.

Table 8: Intention to Stay

Variables	Mean	Std. Deviation
Better job offer	3.64	1.25
Recruitment agent	4.11	1.06
Family and friends recommendations	3.83	1.11
Intention to apply other job vacancies	3.89	1.06
Intention to quit	4.39	0.93
Seeking a new job	4.11	1.01
To serve until retire	4.06	0.98
Overall Intention to Stay	4.00	0.92

Correlation Between Variables

This study utilises correlation analysis to analyse the relationship between the studied variables, the strength of the association, and the relationship's nature. Statistically, the Pearson correlation coefficient (r) is the most appropriate tool to be used when using correlation to measure the relationships between continuous variables. According to Zikmund et al. (2013), the correlation coefficient (r) value can range from -1.00 to +1.00. If (r) = +1.0, a perfect positive relationship exists, if (r) = -1.0, a perfect negative relationship exists. If the r-value = 0, then there is no correlation between the variables. In interpreting the correlation coefficient values, the discussion follows De Vaus (2002) recommendation as described in Table 4 below.

Table 9: Designation Strength of Association Based on Size of Correlation Coefficients

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Strength of Association	Negative	Positive		
Low to Moderate	-0.29 till -0.10	0.10 till 0.29		
Moderate to Substantial	-0.49 till -0.30	0.30 till 0.49		
Substantial to Very Strong	-0.69 till -0.50	0.50 till 0.69		
Very Strong	-0.89 till -0.70	0.70 till 0.89		
Near Perfect	-0.99 till -0.90	0.90 till 0.99		
Perfect Relationship	-1.00	1.00		

Source: De Vaus (2002, p. 272)

Results presented in Table 10 suggests that only the correlation between the performance appraisal and intention to stay are significant (p < 0.05). Intention to stay was significant, positive and moderate to substantially correlate with performance appraisal (r = 0.339, p < 0.05). However, recruitment and selection, compensation and benefits, and training and development are insignificant and did not correlate with intention to stay. These coefficients imply that the only factor that has a significant positive influence on the intention to stay of the administrators is the performance appraisal process; other HRM components are irrelevant.



Table 10: Correlation Coefficients between the Four Components of Human Resource Management Practices and Intention to Stay

Va	riable	Performanc e Appraisal (IV)	Recruitme nt & Selection (IV)	Compensatio n & Benefits (IV)	Training & Developmen t (IV)
	Pearson Correlation	0.339*	0.148	0.114	0.299
Intentio	Sig. (2-tailed)	0.043	0.388	0.508	0.076
n to Stay	N	36	36	36	36
(DV)	Strength Of The Relationshi p	Positive & Moderate to Substantial	No Relationshi p	No Relationship	No Relationship

Conclusion

This study offers significant contributions to the existing works of literature. To the researcher's knowledge, limited established studies have been conducted in determining the influence of HRM practices on the retention of Public Universities administrators. Therefore, the results obtained had allowed the researcher to identify the most critical variables in advocating the employee retention strategy. Looking at the influence of HRM practices dimensions (performance appraisal, recruitment and selection, compensation and benefits, and training and development), this study provided clear evidence that performance appraisal is the most crucial element that can influence the retention of Public Universities administrators.

The results also suggest that the universities currently do have a suitable performance appraisal system in place; however, it may need to be further improvised to fulfil the administrators' expectations. Efforts to improve the current performance appraisal system should focus on enhancing the performance appraisal processes by utilising reliable and objective evaluation processes, formal feedback procedures, and support systems to increase the intention to stay significantly. Subsequently, the performance appraisal mechanism should be aligned with the organisational objective to attain the highest possible confidence level of the employees because it affects the employees' commitment and reduces their turnover intention. Participative decision-making style would be one of the best approaches to resolve this issue, whereby the management can listen to and consider the administrators' opinions in making their decisions. Furthermore, an effective two-way communications process will help the administrators better understand their university's aspirations and their roles to achieve them. From the above findings, it can be concluded that the universities' ability to integrate a performance appraisal system that utilises a reliable and objective evaluation process, formal feedback procedures and support system would positively influence the intention to stay of the Public Universities administrators. Furthermore, it serves as a motivating factor for the university members to perform their work assignments effectively. Ultimately, it enables universities to retain their talented employees.

Similar to other studies, this preliminary study also has several limitations. First, the scope of the HRM practices investigated in this study focuses only on training and development, compensation and benefits, performance appraisal, and recruitment and selection. Therefore, more research is needed to better distinguish between the general HRM practices that can suit the broad groups of employees as a whole and the unique HRM practices designed for a specific



group of employees, thought to have specific particular needs. Second, since this is a preliminary study, the number of participants taking part in this study is minimal. Hence, the findings are unique to the group members under research and may not represent the whole group. A larger pool of participants is required to test the consistency of the findings to ensure positive representation of the larger groups.

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