# Retention of Nurses in Medium Size Health Care Units -Role of Work Life Balance, Compensation and Work Environment

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*Abstract*: *This paper evaluates the impact of compensation, work life balance and work environment towards organization commitment of nurses who belong to less attended medium size health care units in and around Chennai City in India. It also deals with the impact of organization commitment towards retention of nurses. From the findings it is evident that the commitment of nurses in the hospital increases their likelihood of continuation. Also it reveals that compensation is the predominant factor followed by work life balance and work environment in enhancing organization commitment.*

*Keywords*: *Compensation, Work life balance, work environment, organization commitment, Nurses retention.*

## I. INTRODUCTION

Nurses were the largest group among health care professionals .Their retention is very much essential to meet the patients needs and in providing health care service. Their attrition can lead to inadequate staffing, creates more workloads and stress on 'stayers' consequently motivates them to quit the hospitals. Further it reflects in high administrative costs, spoils hospitals effective functioning and results finally in poor patient's service. On the other hand health care sector need to provide good care with less funding from government. In an environment, characterized by continuous changes, motivated work force is vital for the delivery of high health care services. Advances in medical technology, peoples expectation of longer life, serious illness and chronic disease among living people also increased the demand for committed nurses. Medical tourism nowadays gained popularity both in developed and developing countries. Its size was roughly 19.70 Billion U.S. Dollars in 2016 and forecasted to elevate to 46.6 billion US $ in 2021 also increased the requirement of nurses.

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Moreover shortage of nurses and midwifes worldwide is presently 9.0 million India is also suffering shortage of nurses (Gill, 2016) and nurses available for 1000 population is only 1.3 in India when compared to above 14 in developed European countries (OECD,2015). The estimated shortfall is 2.40 Million Surprisingly, among large nurses sending countries, India stands second in the world, next to Philippines, and number of Indian Nurses working in other countries accounts approximately 6,40,000 in 2011 (Irudaya Rajan and Nair,2013) and likely to increase. Higher living standards, prevailing in foreign countries, large salary gap between developing and developed countries, better working environment influence nurses to change their jobs (Nairand Webster , 2012) and there is a need to understand what factors motivates nurses to stick to the hospitals. As highlighted by (Biswas ,2013), it is required to improve the internal needs of employees in order to prevent them from leaving the organization . India's skilled personals large migration aiming greener pastures with attrition rate of around 26.0% which make our country to concentrate much on this. Several studies support that organization commitment is positively related to retention (Firth et al., 2004) and motivates employer to stay in their organization. Hence it would be argued that organization commitment plays an important role and if nurses commitment level is made high, their retention level will probably be higher. This made researchers to find out all possible ways to increase their commitment (Mitchell et al .,2001).It is also found that an increase in the perception level and making the employees to think they are valuable can increase the commitment level . Literatures reveal that Compensation (CN), work environment (WE) and work life balance (WLB) were the most impactful factors for commitment. An additional support is provided in this paper by examining the impact of CN, WE and WLB on organization commitment (OC) among nurses working in medium size health care units in and around Chennai City, India.

### 1.1 Motivation to Research

The health care system in India is undergoing formidable changes due to advancement in medical technology profit earning mentality, demographic and gap in education and service. Though Indian nurses play an integral role in health care industry, they are facing daunting challenges at work place which affects their performance in rendering quality care patients; there by hoisting an unhealthy reputation to that particular health care unit.

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Indian nurses are also dissatisfied due to the existence of disparity between the high responsibility of job and lower remuneration. Although health care is provided by a team of qualified professionals including nurses, the attempts to give any privileges to Indian nurses is aborted by Indian Medical Lobby (Sharma, 2014).

Challenges like long working hours, lack of synchronicity lack of recognition compulsion to undertake non- nursing related works, work place health hazards, lesser remunerations compared to developed countries motivates nurses to change their jobs. Though India is facing shortage of nurses around 2.40 million. The plight of skilled category urges for immediate requirement to identify the factors affecting the retention nurses.

## II. LITERATURE REVIEW

While joining a hospital, most of the nurses give due consideration towards their pay and other financial benefits and this attitude plays an significant role throughout their career. Financial benefits is one of the factors that produce job satisfaction (Al Momani,2017)and this satisfaction with their job increases the commitment towards their organization (Khan and Jan,2015).There is significant positive association between employees organization commitment and compensation (pay other benefits and incentives) they receive (Nawab and Bhatti,2011) and lesser compensation leads to lack of commitment. Researcher (Mastaneh et al.,2014) confirmed positive relationship between compensation and attachment towards their institution and nurses perception about their pay in one among the most vital factors of their organization commitment(Khan and Jan,2015). Hence hypothesis is as follows:

$H_1$– compensation is positively related to organization commitment.

Work Environment is one of the factors that affect nurse's attachment towards their hospitals .The Researcher (Dorgham ,2012) analyzed the relationship in Tanton University hospitals and concluded that positive relationship between work climate and commitment to organization. Further higher levels of verbal abuse from colleagues will be perceived by registered nurses that the work environment is unfavorable and leads to lesser organization commitment (Budin et al., 2013) and perception of existence of environment, which facilitates communication between and among employees enhanced attachment towards their organization( Reed et al., 2016;)Positive relationship is found between high quality work place and nurses commitment to their hospitals .Hence Hypothesis is as follows:

$H_2$– Work environment is positively related to organization commitment

Flexible work schedules and dependent care assistance enhances employees perception of organization support and increases attachment towards organization (Casper and Harris,2008). Work life balance acts as an important factor affecting organization commitment (Umamaheswari and Jayasree Krishnan,2016).Flexible work practices increases organization commitment of .Hence hypothesis is as follows:

$H_3$-Work life balance is positively related to organization commitment.

Organization commitment is getting more attention among nurses now-a –days due to its importance in producing desirable outcomes. It is an emotional reaction towards hospital's policies and satisfaction over the policies increases their attachment and possibilities of their continuation also likely to increase. The earlier findings confirm a strong inverse relationship between attachment towards organization and employees turn over intentions. The researchers concluded that OC is having significant effect on nurses turnover intention and there is a positive relationship exists between OC and retention of employees. (Umamaheswari and jayasree Krishnan, (2015).An inverse relationship was identified between the organizational commitment and turn over intention (Labrague et al.,2018). The above previous findings provide substantial evidence for the existence of relationship between nurses commitment and retention. Hence hypothesis is as follows:

$H_4$– organization commitment is positively related to retention.

Several studies were conducted to explore the effect of OC on the retention of employees. The authors studied mediating effects of organization commitment between the HR factors and employees turnover intention and revealed that organization commitment plays an important role in partially mediating the relationship between the HR factors and employees turnover ( Umamaheswari and Jayasree krishnan ,2016). Given that the HR factors are positively related to employees commitment and commitment having positive influence over retention, it is possible that organization commitment can act as a major role between factors and retention. Based on the above guidelines the hypothesis is proposed.

$H_5$: organization commitment mediates between retention and factors affecting retention.

## III. METHODOLOGY

### 3.1 Sample and procedures

Nurses working in medium size health care units in and around Chennai city, India were the participants of the study. The researcher distributed the Questionnaire to fifteen hospitals with around 30-40 nurses in each. Each hospital was provided 40 forms Finally 580 questionnaire were distributed and 420 were received back with a response rate of 78%, using simple random sampling. 60% belongs to 20-30 age groups 30% are between 30-40 age and 10% is more than 40 years around 70% are having nursing qualification ranges from nursing certificate to degree. Around 60% falls under 5-15 years of experience.

### 3.2 Measurement

The independent variables proposed in the study are WLB, CN and WE and the output

variables are OC and nurses retention. Thirty four questions exists in the questionnaire besides questions related to personnel details. Work life balance, compensation, work environment was measured utilizing 5 items and 9 items for organization commitment 10 items were employee retention were taken from .

previous studies.

The content validity is performed. As the concern of this study is common method, to assess whether single factor represents majority of variance, one factor test was performed Using EFA to verify whether single factor represents the majority of variance.

The five variables (WE, WLB, CN, OC and nurses retention) consisting of thirty four items rated by the participants were subjected to unroated factor solution and found that the single factor does not represent majority of the variance. The findings from one factor test cannot fully eliminate Common method variance, but the results suggests that common method variance is not a main concern and do not impact the findings.

## IV. RESULTS

### Table 1. Second order statistical analysis & Correlation Matrix of the proposed factors.

| Factors | Mean | Cronbach Alpha | SD | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|---|---|
| Work life balance | 21.46 | 0.766 | 2.097 | 1.00 | | | | |
| compensation | 21.37 | 0.785 | 2.260 | 0.528** | 1.00 | 1.00 | | |
| Work environment | 17.37 | 0.703 | 1.690 | 0.542 | 0.649 | 1.00 | | |
| Organization commitment | 38.67 | 0.837 | 3.609 | 0.700 | 0.567 | 0.611 | 1.00 | |
| Employee retention | 41.80 | 0.902 | 4.482 | 0.618** | 0.698** | 0.557 | 0.617** | 1.00 |

**p<0.01

The second order statistical parameter analysis of the proposed factors are given in Table 1. The value of alpha co efficient is between 0.703 and 0.902 which is above the required level of 0.700. Thus there exists correlation among all the variables and there is significant relationship between them and OC and also retention.

### Table 2: Multilinear regression analysis

| Factors | P | Standardized Beta | t | R | Adjusted R² | F |
|---|---|---|---|---|---|---|
| Work life balance | 0.002** | 0.294 | 6.445 | 0.802 | 0.643 | 242.089** |
| compensation | 0.000** | 0.368 | | | | |
| Work environment | 0.008** | 0.272 | | | | |

**p<0.01

Table 2 illustrates the Multilinear regression analysis of OC on the proposed factors. As $R^2 = 0.643$, p=0.000, the proposed factors WLB, compensation and WE were found to be significant predictors of OC which supports hypothesis $H_1$, $H_2$, $H_3$. The strongest is compensation (beta =0.368) and the weakest is work environment (beta=0.272). From Table 3 ,it is found that OC has positive significance on retention of nurses as $R^2$ =0.428 p=.000.which supports hypothesis $H_4$.

### Table.3 Regression Analysis

| Factors | P | Standardized Beta | t | R | Adjusted R² | F |
|---|---|---|---|---|---|---|
| Organization commitment | 0.000** | 0.682 | 18.027 | 0.654 | 0.428 | 296.028** |

**p<0.01

### Table 4: Hierarchical Multiple Regression Analysis

| Model | Factors | p | SD | t | R | R² | F |
|---|---|---|---|---|---|---|---|
| A MODEL | Work Life balance | 0.000** | 0.274 | 5.468 | 0.762 | 0.581 | 190.605 |
| | Compensation | 0.000** | 0.492 | 11.690 | | | |
| | Work environment | 0.004** | 0.232 | 4.862 | | | |
| B MODEL | Work life balance | 0.000** | 0.202 | 4.132 | 0.770 | 0.593 | 150.508 |
| | Compensation | 0.000** | 0.426 | 10.246 | | | |
| | Work environment | 0.005** | 0.129 | 3.651 | | | |
| | Organization commitment | 0.002** | 0.182 | 2.986 | | | |

**p<0.01

To find the impact of proposed factors on nurses retention, Regression Analysis is made as shown in Table 4.It is found that the proposed factors shows remarkable variance in nurses retention (p=0.000, $R^2 = 0.581$). All the three factors, compensation (p= 0.000) WLB (p =000) and WE (p =.004) are significant predictors of nurses retention. To study the mediating role of OC hierarchical regression analysis was performed and displayed in Table 4. It is found that significant relationship derived for WLB compensation and WE (model A) is not changed to non-significant but the effect size is reduced when OC( model B)is included. This indicates the partial mediation effects of OC.

## V. DISCUSSION

This study explore factors affecting retention of nurses working in medium size health care units in and around Chennai city ,India Further, the mediating effect of OC is focused. The Multilinear regression shows that all the proposed factors are positively related to nurses commitment. Also it reveals that a variance of 64.3% of OC is explained by the proposed factors. This signifies that all the proposed factors are influential and crucial and need to be given top priority. Moreover it also finds the importance of OC where the positive approach can lead to the increase in retention level. .Nurses are influenced by present day's changing environment and this will be having larger impact on the factors influencing OC.

The predominate factor positively related to OC is compensation. Reasonable salary and other monetary benefits offered by the hospital's along with unbiased rewards for good work makes nurses to feel gratified and in turn increases their commitment. This highlights hospital's support for compensation to achieve OC. The next factor positively related to OC is WLB and this coincides with previous findings. Nurses feel hospitals supportive WLB culture and friendly policies like flexible work timings are much needful for their successful handing of their life and to reduce work family conflicts. Nurses who enjoy such facilities feel gratified and it will be reflected in terms of OC. This highlights the importance of hospital's support towards WLB to achieve OC.

The findings also concludes that OC is predicted by WE (beta = 0.433). The hospital authorities are expected to support and provide encouragement to the nurses to improve their abilities. Giving freedom to share their views, proper work load, good work etc/, can make the nurses think that they are given importance by the hospital authorities. This gives evidence on the significance of organizational support for WE to achieve OC.

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Thus hospital authorities need to extent their support to WLB, compensation and WE to improve nurses commitment towards the hospital. Secondly, this analysis provides evidence that OC is positively related to nurse's retention which acts as an indicator to the hospitals to improve their retention level. Thirdly, MLR outcomes indicated that CN, WLB and WE are significantly related to nurse's retention and compensation is found to be the strongest predictor. Finally the next variable positively related to retention is WLB (Umamaheswari and Jayasree Krishnan, 2016) and WE also positively related to retention and CN, WLB and WE is indirectly and partially mediated by OC with nurses retention.

## VI. IMPLICATIONS

Suggestion for health care units to reduce the attrition level of nurses from their hospital is given in this paper. It provides the ways and means for retention of nurses. The findings indicate that organizational support for WLB, compensation and WE are essential. Therefore the authorities of hospitals should try to improve the good relationship with their nurses. Since continuation of nurses relies on the good relationship between hospital and nurses, more interaction between them at regular intervals is required.

## VII. LIMITATIONS AND FUTURE STUDY

The requirement and demands of nurses are different due to their change in demography, lifestyle and tradition. This paper deals with only few hospitals in Chennai city and there is possibility of bias in their response. Thus this analysis cannot be considered as general case applicable for all. Future research can be made by considering the other variables like autonomy at work, job security.

## VIII. CONCLUSION

Although retention of nurses has been crucial for turnover prone Indian environment, not much empirical studies were made on medium size health care units. The findings reveal that the commitment of nurses towards their hospital results in increase in their retention level. The study also illustrates that compensation, work life balance work environment play a major role in the organization commitment. Further, organization commitment partially mediates them.

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