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## **Practices of Promotion and Strategies of Staff Retention in Public and Private HEIs**

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**Abstract:** Promotion and strategies of staff retention are aspects of every institutional policy. These policies are important because they might show underlying activities of the institution's program. The focus of this study is to explore practices of promotion and strategies of staff retention in private and public higher education institutions. Having this objective, samples were taken from both private and public higher education institutions in Addis Ababa. Questionnaires were distributed for both lecturers and administrative deans of the sample colleges. For comparing the data obtained from the sample subjects, both descriptive and inferential statistics measures were used. Thus, F at 0.05 and above were considered as significant whereas F below 0.05 were insignificant. Consequently, the findings of the study showed that there were significant variations in practices of promotion and strategies of staff retention between private and public colleges/university colleges.

### **Introduction**

In the arena of an institution, there are different types of policies such as financial, personnel and imposed policies. Personnel policies are centered round issues like selection, compensation, promotion, termination, moral development, welfare activities and the like (Chatterjee, 1988; Wehrich and Koontz, 1993). Of the aspects of personnel policies, the writer of this paper deals with matters like promotion and retention.

Needless to say, it is the universal desire of humans to be promoted in the institutions where they are working for. Promotion, which involves higher status and an increase in pay, is a reward for outstanding performance (Wehrich and Koontz, 1993).

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Robbins (1989), while treating the idea of extrinsic versus intrinsic rewards, stated that pay, promotion, fringe benefits are examples of extrinsic rewards. On the contrary, job satisfactions, personal growth, feeling of accomplishments are intrinsic rewards. In view of the above points, promotion is a form of extrinsic reward for past performance.

Higher positions which require more advanced skills are filled up by the business owner through the promotion policy and the basis for promotion may be seniority or competence (Ramasamy, 2003). Ramasamy further defined seniority and competence as the possession of more number of years of service in the same organization than those of the other employees, and the accomplishment of a particular job effectively than the other employees respectively.

Wehrich and Koontz (1993) underlined that promotion should be carried out based on competence regardless of seniority. However, Ramasamy (2003) attempted to distinguish the types of jobs that require either competence or seniority. Seniority is the basis for promotion to a job, which does not require much competence, and competence is the basis for promotion to a job that requires professional skills.

Byars and Rue (1987) as cited in Elias (1995) stated that rewards are almost determined by organizational membership and seniority rather than performance. In this case, if the management prescribes seniority as the basis for promotion, senior people are not ready to acquire additional knowledge and skills, which are necessary for the jobs to which they seek promotion, and unfit person may also be eligible to get promotion (Ramasamy, 2003).

Turnover is the absence of retention. Broadly speaking, turnover can be classified into two: voluntary and involuntary. Heneman, et al., (1987) stated that voluntary turnover refers to employees that leave a job for personal reasons whereas in involuntary turnover the employer initiates the termination. This kind of turnover further includes lay offs (when the organization no longer needs the employee) and dismissals -when the

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employee is discharged for incompetence, rule-violation and so forth (Heneman, et al., 1987).

Although involuntary turnover is outside the control of the employer, voluntary turnover is influenced by institutional policies. Here, the business owner is supposed to look at the circumstances around the existing high performers.

Turnover could be essential to the institutional growth. In line with this, Heneman, et al (1987) noted that when an ineffective or non-productive employee leaves, it is called functional turnover because the loss is in the best interests of the company. This type of turnover benefits the institution since the poor performer had gone and has been replaced by a person that is contributing up to the standard. However, when an effective or productive employee leaves, it is called dysfunction turnover because the departure is not in the best interests of the institution (Ibid). Therefore, turnover could help or hurt an institution.

Despite the fact that teacher turnover from colleges may be unavoidable and normal, high rates of turnover are of concern because they may show underlying problems of the institution's program. Of the various institutional policies that cause turnover, the following are the potential causes forwarded by Pfeffer and Davis-Blake (1992), and Heneman, et al (1987). These are, sub standard wage structure, lack of opportunities for promotion, inadequate supervision, absence of fringe benefits, work schedule, a bad match between the employee's skills and the job and the like.

In view of the above points, reducing the rate of turnover is a good goal since an institution incurs much expense for substitution and high rates of turnover can disrupt the effectiveness of the program. In relation to this, Ramasamy (2003) explained that there are many costs associated with replacing staff. For example, according to Ramasamy (2003) many new employees do not become fully productive until they have been trained and

gain experience. Furthermore, high staff turnover ruins the sense of work place community (Heneman, et al, 1987).

As it has been outlined, promotion and retention (which are the opposite of turnover) are aspects of every institution and the focus of this study is to explore practices of promotion and strategies of retention in private and public higher education institutions.

On the basis of the above theoretical and empirical investigation, the following conceptual framework is developed for studying promotion and retention policies.



*Fig. 1: Conceptual framework for studying institutional policies such as Promotion and turnover/retention.*

*Source: Adapted from the theoretical and empirical findings discussed above.*

## **Method**

### ***Setting and Sampling***

Data were collected from Addis Ababa Commercial College and Kotebe College of Teacher Education. To equalize the number of colleges in both public and private Higher Education Institutions, only two private colleges were identified. Purposive sampling technique was used to select two private university colleges. This was done due to the fact that the selected university colleges were established formerly and they have had a tertiary level established practice. As a result, Unity and St. Mary's University Colleges were the sample of the study.

One hundred and thirty five lecturers were randomly selected from the sample University colleges, the number of lecturers included in the study was proportional to the number of permanent staffs in each university

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college. The majority of the respondents (92%) hold Master's degree and the remaining (8%) were first-degree holders. All the sample subjects were full time faculty members in their respective institutions.

### ***Data Collection Instruments***

Since the research was designed to review practices of promotion and strategies of staff retention in private and public higher education institutions, the appropriate instruments chosen for the collection of research data were questionnaires. Two forms of questionnaire were distributed for lecturers and administrative deans. Both forms of the questionnaires encompassed open and close-ended questions. The two questionnaires were designed in line with the literature consulted.

### ***Data Analysis***

The results were tabulated and analyzed. The analysis was made using descriptive and inferential statistical measures. The descriptive measure was used to review and summarize the data through elementary statistical concepts. The descriptive statistical value produced numerical answer which was interpreted in terms of descriptive measures such as mean and standard deviation. The inferential measures were designed to draw strong conclusions about the data. The basic purpose of utilizing inferential statistical analysis was to see variation among institutions in staff turnover, retention and promotion. In doing so, the investigator used F\_ tests. The statistical test for comparing the data gathered from the two sample groups was calculated at 5% level of significance. Consequently, f- above 0.05 was considered as significant whereas f- at 0.05 and below was insignificant.

## Results and Discussion

**Table1: Responses of the Subjects regarding the Bases of Promotion**

Bases of Promotion	Ownership				Total	
	Private		Public		No	%
	No	%	No	%		
Seniority	10	14.2	3	5.4	13	19.6
Experience	4	5.7	19	<b>34.5</b>	23	40.2
Competence	21	<b>30.0</b>	4	6.15	<b>25</b>	<b>36.15</b>
Research articles	2	2.89	21	<b>38.1</b>	<b>23</b>	<b>40.1</b>
Students' evaluation	6	8.57	5	9.0	<b>11</b>	<b>17.57</b>
The type of department	22	<b>31.4</b>	---	---	<b>22</b>	<b>31.4</b>
No promotion	15	<b>21.4</b>	3	5.4	<b>18</b>	<b>26.8</b>

As the table shows, in the private university colleges the great majority of the subjects (30.0%), in comparison with the percentage of other responses, noted that competence was a factor for staff promotion. Seventy-five percent of administrative deans' responses became in line with the findings above. In a competence based profession like teaching, considering the staff's competence is quite desirable. Concerning competence Ramasany (2003) stated that competence is the basis for promotion to a job that requires professional skills.

However, the data further revealed that the nature of the department which accounted for (31.4%) was another factor for staff promotion in private colleges/university colleges. In conformity with this, 50% of the respondents from the administrative deans reported that the nature of the department was a factor for staff promotion. That is, in private university colleges, lecturers' promotion has been given based on the type of department they belong. Sadly, in most cases, lecturers majoring in Education, Social Science, Mathematics, English and the like were lower than their colleagues in setting promotion irrespective of their qualification. If this is a prevailing fact, how will "the would be teacher educators" feel about meeting the world as teachers? Ironically, the importance of educating our citizens is widely recognized but

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the key people in these processes (teachers) are not always highly valued (Sadker and Sadker, 2000).

If this is the case, how could the would be teachers or teacher educator be drawn to teaching? The materialistic nature of the society in general and the labor market in particular might have effects on the choice of specialization in the future generation. This unfair discrimination; considering the staff's department for promotion might hinder the performance of lecturers and this in turn would be reflected on the achievement of the students.

As it can be seen from the Table above, 21.4% of the sample subjects from private university colleges indicated that they did not get any promotion at all. Promotion, which is the universal desire of humans, was not carried out in private university colleges. This might have an effect on the performance of teachers.

In public colleges, as the table shows, the great majority of the subjects (38.1%), in comparison with other responses, noted that research article was a factor for staff promotion. Experience which accounted for 34.5% became a second factor for staff promotion in public colleges. Considering research activities of the staff for staff promotion would enable lecturers to be engaged in research work which has been the second mission following teaching for higher education institutions.

**Table 2: Responses of the Subjects on the Factors that Led to the Decision to Leave Institution(s)**

OWNERSHIP		Lack of opportunity for promotion		Poor salary scale		Lack of further education		Unpleasant work environment		Getting better opportunity	
		No	%	No	%	No	%	No	%	No	%
		Private	8	10	11	13.7	21	<b>26.2</b>	24	<b>30.0</b>	14
Public	4	7.2	11	<b>20.0</b>	23	<b>41.8</b>	6	10.8	9	16.3	
<b>Total</b>		12	17.2	22	33.7	43	68	30	40.8	23	33.8

Concerning private university colleges, as shown in the above table, unpleasant work environment (30.0%) and lack of further education (26.2%) were factors for staff turnover. On the other hand, poor salary scale (20.0%) and lack of further education (41.8%) were found to be the major factors for staff turnover in public colleges. According to the responses of the subjects (lecturers) and public colleges administrative deans, rates of staff turnover seemed to be high; however, 50% of private university colleges administrative deans reported that rates of staff turnover was low. The responses of the private colleges' administrative deans were not in accordance with the other responses mentioned above. This discrepancy might arise due to the fact that private university colleges' administrative deans might not want to disclose their experience in relation to staff turnover. This is because it sends a negative message to customers and creates a poor picture in the labour market (Torrington et al, 2002).

Both private and public colleges are supposed to improve staff retention and reduce the rate of turnover in their respective institutions; otherwise, high staff turnover creates a negative image on the institutions. This happened because it is argued that high turnover rates are symptomatic of a poorly managed organization; they suggest that people are dissatisfied with their jobs or with their employer and would prefer to work elsewhere (Torrington et al, 2002).



Conducive working conditions pay, opportunity for promotion and fringe benefits are some of the factors which have a positive effect on employee retention or they cause turnover. Thus, in order to assess the satisfaction or dissatisfaction of the staff, the subjects of the study were asked to respond to the selected aspects of factors that affect the staff's satisfaction in a five point Likert scale type having numerical values as follows: 5 – 'Very satisfied'; 4 – 'Satisfied'; 3 – 'So so'; 2 – 'Dissatisfied'; and 1 – 'Very dissatisfied'. Mean responses were tabulated and used to indicate the level of satisfaction/dissatisfaction the staff have had, based on the following interpretive scale established by the researcher: 4.5 or more 'very satisfied'; 4.4 -3.5 'satisfied'; 3.4 - 2.5 'so so'; 2.4 - 1.5 'dissatisfied'; and below 1.5 'very dissatisfied'. The table below depicts the point under discussion.

**Table: 3 Responses of the Subjects on the Strategies of Staff Retention**

	Satisfaction on Working Condition	Satisfaction on Opportunity For promotion	Satisfaction-on-pay	Satisfaction on fringe benefits	Satisfaction on Further education	Satisfaction With services
<b>Ownership</b>						
Private Mean	3.13	2.17	2.51	2.64	2.21	3.07
SD	0.91	1.03	0.94	1.14	1.30	1.01
Public Mean	3.56	2.14	2.08	2.05	3.59	1.92
SD	0.88	0.87	0.94	0.62	0.76	0.59
Total Mean	3.36	2.19	<b>2.30</b>	2.37	2.86	2.53
SD	0.91	1.01	0.96	0.98	1.28	1.01
Observed F_ value	4.61	10.11	4.47	7.78	32.07	37.85
Degree of freedom	135	135	135	135	135	135
Level of Sig.	0.35	0.02	0.37	0.07	0.00	0.00
Remark	Non significant	Significant	Non Significant	Non Significant	Significant	Significant

Irrespective of the type of institution, the total mean of opportunity for promotion (2.19), pay (2.30) and fringe benefit (2.37) were found to be below 2.4. This indicated that the academic staffs of both the sample colleges were dissatisfied in the area mentioned.

Comparison between private and public colleges indicated that the mean value of pay (2.51) and fringe benefits (2.64) in private colleges were found to be much better than public colleges. On the contrary, public colleges (3.56) were preferable to private colleges (3.13) regarding working environment. Still comparison between private and public colleges showed that subjects from private colleges were dissatisfied in the opportunity for promotion (2.17) and access for further education (2.21). On the contrary, subjects from public college noted that they were dissatisfied on pay (2.08); on fringe benefits (2.05) and the service (1.92) they were rendered.

These factors in which the staff showed dissatisfaction could be factors for staff turnover. This finding was in line with Elias's finding. The finding of Elias (1995) revealed that employees are dissatisfied with the material and some intangible extrinsic rewards of Higher Educational Institution

The inferential statistical test showed that there was a significant difference between private and public higher learning institutions regarding opportunity for promotion, further education and the services they got. However, the inferential statistics portrayed that there were no significant variations between private and public colleges regarding working conditions, pay and fringe benefits.

### **Conclusions**

The finding of the study showed that lecturers' capability (competence) and the nature of the department in which lecturers belong were factors for staff promotion in private colleges. On the contrary, experience and research article were factors for staff promotion in public colleges. Still some subjects from private colleges noted that there was no promotion in private colleges at all.

It was found out that lack of further education and unpleasant work environment were factors for staff turnover in private colleges. On the other hand, poor salary scale and lack of further education were the reasons for staff turnover in public colleges.

The results of the inferential statistics showed that there were significant variations between private and public colleges regarding opportunity for promotion, lack of further education and the services the colleges offered. The data further showed that there was no significant variation between private and public colleges concerning pay, working condition and fringe benefits.

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