How ’organizational factors’ outclass ’personal factors’ in retaining Female Employees in Indian IT SMEs

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How 'organizational factors' outclass 'personal factors' in retaining Female Employees in Indian IT SMEs

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Abstract
The article examines organizational and personal factors in relation to the retention of the female workers in the IT SMEs. The organizations operating in the business cities of India were targeted using convenience sampling technique. In addition to that, purposive sampling was used for reaching only female participants. Total 250 females out of 380 completed survey from 30 different software SMEs. The findings of this cross-sectional study reflects that the effectiveness of organizational factors such as work-life balance practices and policies, supervisory support, and technological assistance enable female workers to exhibit higher performance under stress. Interestingly, the myth of personal factor such as personality, well-being, and emotional intelligence previously found to be effective, in actual does not improve retention rate of female workers at operational level. In addition to that, detailed analysis revealed that supervisory support is most closely interlinked with retention, followed by policies and procedures of Work Life Balance, and lastly technological assistance. Moreover, societal norms have significant role to certain extent in the creating retention related perception of female workers.

Keywords: personal factors, organizational factors, retention strategies, female workforce, work-life balance

1. Introduction
Nowadays, finding a balance between family and work is critical issue for organizations, specifically aiming to retain female workers. Marchand&Runyan (2000) argued that in early times male was perceived and viewed as the sole bread earner for the family while female was limited to household chores however, the concept has altered in recent times as females and males are on similar note in professional work setting. Nevertheless, with female workers especially in developing economies there are house related responsibilities attached thus it becomes a significant challenge for the organizations to retain them. Interestingly, Baxter (2002) argued that household responsibilities are one specific category that determines the male and female approaches, specifically in terms of social aspects. In addition to that, Budd & Mumford (2006) stated that organizations offer benefits through Work-life Balance polices but in actual discourage the use of it. Work Life Balance is a vital ingredient for employees to retain them within the

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organization (Ellenbecker, 2004). The flexibility and balance in personal and professional life is required by organization to manage their employees (ibid).

Bidisha&Mukulesh (2013) argued that the retention of the employees for longer period is constructive for the organizational interest. Mita, Aarti&Ravneeta (2014) found that the needs of organizations are catered through retention of productive and creative employees. According to the Workforce Planning for Wisconsin State Government (2015), policies and procedures of the organization to support and cater the needs of the employees is through creating healthy environment. Furthermore, Loan-Clarke et al., (2010) stated that when organization provide the work environment where employees are able to manage their family related responsibilities then they are likely to stay with the same organization.

The rationale for the selection of IT SME’s mainly includes the 38% contribution to the nation’s GDP (Kapuria, 2017). Also the SME IT sector provides wage-employment other than the agricultural sector and contributes extensively towards the sustainable society in many ways by gender and social balance and environmentally sustainable development (ibid). Also this sector provides diversity in terms of its size, the level of technology used, variety of products and the targeted markets. By knowing these all facts, the government initiated 171 infrastructure development programs to support SME’s in India (ibid).

One of the significant aspects for the SMEs in India is retaining female workers because in recent times, female workforce in SMEs has been increasing by 3% in contrast to 2014 (The Hindu Times, 2016). Interestingly the report of NASSCOM (2009-2010) showed that in the emerging markets, the SMEs software houses in India have contributed up to 9%. Moreover, the employment rate has also improved (ibid). Nevertheless, the focus of these organizations has been less on the Work Life Balance policies and procedures in improving retention practices. There is no conclusive evidence of female workers retained in these SMEs through any specific Work Life Balance practice. Therefore, this study is significant in nature as it attempts to explore the above-mentioned aspects.

Sandra et al., (2000) stated that female’s retention has gain attraction due to the role of female workforce to national and international economies. The female population in India is higher in contrast to males and thus forms a large workforce. However the retention rate is low and there is higher female turnover in IT software houses (ibid). The additional responsibilities are attached with the female workforce in India thus; organizations are facing a challenge of retaining female workforce in the constantly dynamic environment (ibid). Furthermore, the previous studies have not explored the comparison of personal and organizational factors in retention of workers. Based on the preliminary research the aim of this research is developed by "examining the organizational and personal factors affecting the female workforces' retention chances in the SMEs of India".

2. Literature Review

2.1 Individual factors and work life balance

The individual factors influencing work life balance mainly includes personality, wellbeing and emotional perspective. As per Jennings & McDougald (2007), the personality of a person mainly affects the problems related with Work Life Balance. But McCrae & John (1992) introduced a Big Five factor model for determining the behaviours of personality in five dimensions which includes extraversion, agreeableness, conscientiousness, neuroticism and openness to experience. However, Wayne, Musisca & Fleeson (2004) suggested the relation between each of these Big Five traits related with personality and the similarities of
Work Life Balance among work and family life. As per the research, there exists a negative relation between the conscientiousness, extraversion, agreeableness, openness to experience and work life balance, and also a positive relation between neuroticism and work life balance. But Parasuraman&Greenhaus (2002) suggested the characteristics of an individual affect the capability to react to a situation. The research done by Aryee, Srinivas & Tan (2005) discovered the personality of an individual who are dynamic has to take their own responsibilities in order to retain the negotiation to minimise the conflict among work and family life to enhance the relation between work and family life. So the research concludes that neuroticism has a positive relation with conflicts among work and family life and a negative relation with work and family relation (ibid).

The study done by Gropel&Kuhl (2009) suggested there is fulfilment of need which shows a mediating effect in the relation between Work Life Balance and wellbeing. The conclusion of the research suggests that females are showing highest level of wellbeing than male. From this study it can understood that females are showing increased level of work life balance in relation with minimised conflicts among work and family life. Work life balance is considered as important for any organisation which is connected with the wellbeing of individuals to decrease the stress which is related with work and the effects of breakdown (Allen et al 2000; Eby et al 2005; Fox & Dwyer, 1999).

The emotional intelligence of an individual mainly affects the availability of interpersonal factors in distinct roles (Rothbard, 2001). The individuals who are having highest negative affectivity is regarded as the highest relation between work and family life (Bekker et al, 2010). The individuals who are exhibiting intrinsic behaviours are regarded as to focus on the growth of their potential. However, they are keenly interested to fulfil their basic and most important needs of psychology like autonomy, competence and relatedness (Van den Broeck, Vansteenkiste & Has De Witte, 2010). The research by Rangreji (2010) suggested IT employees in Bangalore city in India show a balanced emotional control which follows the consideration and respect from other people. However, the relation between emotional intelligence and Work Life Balance is negatively related and significant. Also the appraisal and emotional expressions have a highest influence.

2.2 Organisational factors and work life balance

Straub (2007) suggested the importance of practices and policies of work life balance in 14 European countries to enhance the work development of women in the high positions of management. The payments which are given to the females during the maternity leave have an increased positive effect on Work Life Balance. Studies by Hyman & Summers (2007) suggested that in Scotland especially in the financial sector have faced problems in relation with work life balance and the needs of the individuals. So trade unions began to interfere in the organisation’s Work Life Balance programs to deliver the employees as per their needs.

The study by Thompson, Kirk & Brown (2005) researched the role of supervisors who are affecting stress of the female police officers. Hence the supervisors can be get rid of the uncomfort of the police officers who can support to their Work Life Balance in a positive way. Warner & Hausdorf (2009) studied the problems related with Work Life Balance in the health care sector in Canada, which indicated there have a positive relation between the organisation and support of the supervisor for reducing the work life balance conflicts. In addition to that, Aydin and Rahman (2017) diversity is vital tool in creating positive outcomes for the organizations. Hence, diversity is another option to improve organizational efficiency.
The research done by Stanton et al (2001) suggested that the perception of a person in an organisation towards the job stress is threatening or demanding hence the employees could experience stress in that atmosphere. Work Life Balance is related with the different levels of stress towards job by the employees in distinct jobs (Wallace, 2005; Wong, 2007). Moreover, the study by Bell, Rajendran & Theiler (2012) revealed the relationship of occupational stress, health, Work Life Balance and work life conflict in the academics of Australia. The study revealed the levels of job stress are highly positively related with conflict between work and family and ill-being. But it is negatively associated with Work Life Balance and wellbeing. The research done by Nair & Sommerville (2017), the women employees in software SMEs in the South of India, female shows decreased job stress than males because of the organisational culture. Also the research done by Haque & Aston (2016) suggested that women workforces have a greater support at their work because of that they have decreased stress than men.

The research done by Lester (1999) revealed that technology influences Work Life Balance by providing a better flexible environment at any time which helps the employees to work from anywhere and at any time. Waller & Ragsdell (2012) studied the organisations majorly uses the culture of email on the employees who are working apart from the office hours. However, this study reveals both positive and negative effects on the culture of the employees.

2.3 Employee retention

The research by Johnson (2008) revealed that the organisations that already started family friendly Work Life Balance programs to ensure retention, job satisfaction and decrease absenteeism and stress among employees who have dependents. Also Chimote & Srivastava (2013) studied the perceptions of Work Life Balance in organisations related with absenteeism in a call centre in Gurgaon, India. Also, the employee perceptions towards Work Life Balance benefits the relation of job satisfaction and autonomy.

The studies by Loan-Clarke (2010) revealed autonomy, work flexibility and societal support are considered as important to retain the employees for long term. Moreover, Christeen (2015) revealed eight factors, which help to retain the employees, are management, work atmosphere, societal support ad opportunities for development, autonomy, reward, workload and work life balance. Hence, the employer needs to exhibit an approximate work life balance to increase the retention (Lener, Roehrs & Piccone, 2006). Osman (2013) studied the emotional support to employees through Work Life Balance reduces their intention to leave the job. Moreover, Mita, Aarti & Ravneeta (2014) researched the direct relation among the employee’s decision to retain in the organisation and Work Life Balance.

Implementing Work Life Balance policies in the companies reduces the levels of absenteeism, thus it influences job satisfaction and retaining employees (Hill, 2005; Allen, 2001). Grady et al. (2008) researched the benefits of organisation by the implementation of initiatives of Work Life Balance covers flexibility, childcare facilities and counselling. Hence, the organisations aid the relation between increased Work Life Balance and employee retention. Thus, it influences commitment and productivity (Ryan & Kossek, 2008; Hill, 2005). The organisations that have increased Work Life Balance cultures are more planned to retain employees through increased Work Life Balance (Kristof, 1996). This needs to meet with the prospects of the employees otherwise they tend to leave the organisations and work search with increased Work Life Balance cultures. Grady et al (2008) studied the companies has to distinguish the importance of the wellbeing of the employees and job satisfaction. This is connected with motivation, commitment and retention, which influences the organisational productivity and the total employee
performance.

3. Hypotheses

Based on our literature following hypotheses are developed:

H1: There is no significant role played by personal factors in retaining female workers in the IT SMEs in India.

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H2: There is no significant role played by organizational factors in retaining female workers in the IT SMEs of India.

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4. Methodology

This cross-sectional study followed 5 point Likert Scale to gain quantitative aspects from the female workers at the operational level of IT SMEs in the India. Total 30 organizations were targeted using convenience sampling while through purposive sampling technique 380 females were approached using 'online' survey questionnaire. In addition to that, 250 females completed and returned filled questionnaire. These respondents were approached using networking technique and since we focused on specific gender, therefore we used purposive sampling to larger extent. The philosophy is 'positivist' while using deductive approach to test our developed hypotheses.

The GOOGLEDOCS questionnaire survey contained 19 items related to work-life balance policies and procedures, supervisory support, technological assistance, emotional intelligence, well-being, personality, and job-related stress. The HR officers in the targeted audience circulated the link of the questionnaire. For the analysis purpose, IBM SPSS 23.0 was used. In order to ensure internal consistency of items of the questionnaire and results showed 0.77 reflecting reliability. Shapiro-Wilk test showed 0.891 thus data is normally distributed and therefore we used parametric test in this study. Moreover, Haque and Aston (2016) used 'filter approach' is adopted in this study for detailed exploration. The credibility and reliability was maintained using triangulation approach. The triangulation approach considered for this study includes literature, examining the demographic background of the employees; inter testing of realiability and mainly the use of Cronbach’s alpha. In this study, the value of Cronbach alpha is 0.773. Usually 0.70 or above values is considered to have high reliability in researches (Nunnally, 1978). In this study, almost all variables are having more than 0.70, so the criteria of reliability are met in the questionnaire. Moreover, the participating firms were ensured about the confidentiality of the participants and no disclosure of personal data or shared information to anyone.

Results

Descriptive statistics revealed that majority of the female respondents are from age group of 25-30 (35%) having masters qualification (55%) and working experience within IT sector of 4-5 years (43%).

Table- 1: Correlations among individual factors and employee retention

<table>
<thead>
<tr>
<th>Personality</th>
<th>Wellbeing</th>
<th>Emotional intelligence</th>
<th>Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personality Pearson Correlation</td>
<td>1</td>
<td>.071</td>
<td>.165</td>
</tr>
</tbody>
</table>
Above tables reflects the correlation between considered individual factors related to Work Life Balance in relation with the retention of employees. Interestingly, personality has positive linear strength (r= 0.89) but correlations is not statistically significant (p= 0.689, p>0.05). Similarly, well-being (p= 0.513, p> 0.05) and emotional intelligence are not statistically significant in relation with the retention of female workforce. Since, there is no strong evidence against H1 (null hypothesis) therefore we do not reject it. In other words, personal factor has no significant role in retaining female workforce.

**Table- 2: Correlations among organisational factors and employee retention**
As evident from the above table, the correlation between organizational factors and retention of female workers is strong linear relationship ($r = 0.995$, $r = 0.823$, $r = -0.623$) but there is significant correlation between organizational factors and the retention of female workforce. We found that Work Life Balance policies and procedures and retention scored $p = 0.001$. The attained value reflects **, thus it indicates that the correlation is very significant. In addition to that, supervisory support and retention is statistically significant because it has * strength with a score of $p = 0.467$. The technological assistance scored $p = 0.001$, which has ** strength and the correlation is very significant. Therefore, there is strong evidence against H2 (null hypothesis). Hence, we reject it. In other words, organizational factors play significant role in the retention of female workforce.

**5. Discussions and Evaluation**

Detailed analysis from the test scores and filter approach, we found that the organizational factors in contrast to personal factors have significant role in the retention of female employees with the Indian SMEs. Interestingly, the detailed analysis reflect that among organizational factors, primarily supervisory support has most close linkage with the retention of female workers (0.995), followed by Work Life Balance policies and procedures (0.823) while technological assistance (0.623) relationship strength with female retention. On the other hand, conventional perception that personal factors have higher linkage has not been supported by this study. Moreover, job-related stress has been evident to affect the female workforce performance adversely to certain extent. Thus, present study opposes the work of Aryee, Srinivas & Tan (2005) as we found no role of personal factor in the retention of workforce. In addition to that, emotional support does not help in the retention therefore; study differs from the work of Osman (2013) and Lener, Roehrs&Piccone (2006). On the other hand, we found a relationship between organizational factors and the retention of workers. Hence, we support the work of Johnson (2008) and Christeen (2015). Additionally, we found that policies and procedure of Work Life Balance enhance the performance, reduce absenteeism, and employee turnover. Therefore, we support the work of Kristof (1996) in this regard.

In addition to that, job-related stress has a connection with the organizational culture. Hence, this study supports the work of Nair & Sommerville (2017) to large extent. Moreover, the studies of Haque& Aston (2016) and Haque, Aston, &Kozlovs (2016) supported that low stress increases commitment that eventually helps firm in retention of best resources.

**6. Conclusion and Recommendations**

Individual factors of Work Life Balance are not as effective in the retention of female employees in but the organisational factors are constructive and contributing factors. The findings mainly reflects the organisational factors such as work-life balance practices and policies, supervisory support, and technological assistance support female employees to showcase the increased performance under stress. Among these all factors, supervisory support is highly interlinked with retention, followed by work life balance policies and procedures and lastly technology.

The sector has to give more importance to other factors such as work arrangements, organisational support, superior support, colleague support, role conflict, role ambiguity and role overloaded. If these factors are provided by the organisation, then it will positively affect the retention of the employees. Also, societal
Factors have relation to Work Life Balance of the female employees and retention. Some of the societal factors include family support, social support, personal and family demands and family quarrel. Indian culture is mainly associated with society and family. Female employees who are single as well as married need support from the family to continue their career. Interestingly, the retention may have relation with some of the societal factors because Indian culture has more importance to societal factors. Interestingly, diversity is another aspect that could be considered for improving working efficiency. Moreover, the emotional and instrumental support from family and society enhances job satisfaction. Furthermore, gender and type of job have an important impact on work-family issues, job involvement and job satisfaction. Hence, societal factors have a relation between Work Life Balance and retention of female employees in Indian software sector. Additionally, some of the environmental factors may affect the retention of female employees in software sector.

References


