

# Employee Retention in Healthcare Sector -Mediciti Hospitals, Hyderabad

Kavita,  
Research Scholar,  
Lingaya's University,  
Faridabad, Haryana.

Mitu Matta, Ph.D  
Professor  
Lingaya University  
Faridabad, Haryana.

## ABSTRACT

Turnover is a huge problem these days for many organizations .An organization is unable to survive if the top performers quit. It needs employees who are loyal and work hard with full dedication to achieve the organization's objective. It is essential for the management to retain its committed employees who think in favor of the organization and contribute their level best. Health care is the specialized area and needs highly skilled workers .An employee who spends a longer duration at any particular organization is familiar with the rules, guidelines and policies of the organization and thus can adjust better, perform better and guide better. This article is the analysis of the employees who are long serving in the system.

## General Terms

Employee turnover, Attrition , Health Care , Nursing Industrial performance

## Keywords

Retention, Turnover, Analysis, Health Survey, key behavior, opportunities, challenges, Knowledge, strategies, efficiency.

## 1. INTRODUCTION

Health Care is an industry which needs 100% competency unlike any other industry. Employees departing from the organization take with them the valuable knowledge and expertise gained through experience. A closed relationship is established among clinicians nursing paramedical and support staff. It becomes very difficult to replace the same quality of worker with the same skill. Some of the hospitals can even sink if the quality consultant leaves the organization. Studies have found that the cost of replacing lost talent is 70 to 200 percent of that of employees' annual salary.

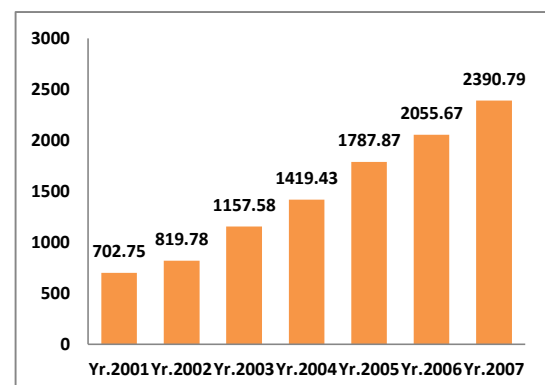
There are various reasons why employees would like to change the jobs. Few reasons comprise of desire of growth, family reasons, learning new skill or an unsolicited job offer. Other job reasons comprise of unfair treatment of coworker, being passed over for promotion or being asked to do something against one's beliefs. Attrition imposes extensive costs on both individuals and organizations. Departing employees take away the valuable knowledge and expertise gained through experience. Often they have good connect and relationship with the consultants and the surgeons and they move as a team. Replacement costs become so heavy as the talent pool is no so easily available. A Business week study estimated that replacement costs alone are over \$10000 for

about half of all the jobs, and for 20 percent of all jobs are over \$ 30000[1]. In a separate study, that the Hay group found replacement costs are about 50 to 60 percent of a person's annual salary. [2]. Other costs may not be so easily quantified. For example, understaffing because of excessive turnover among corrections officers has been blamed for high profile prison escapes. [3] Reduced effectiveness of cockpit crews that are reorganized frequently because of turnover is another example of other hidden organizational costs. [4]

An Organization's efficiency increases if the organization is able to retain the experienced and skilled workers of its system. As they are the people who ensure the continuity of the best practices of the system. Losing one effective experienced and skilled person loosens the functioning of the concerned department. A study is conducted in one of the corporate hospitals of Hyderabad to identify how many experienced persons are retained in the system.

Indian healthcare industry is growing at a CAGR of 15% from 2001 to 2007. In 2007 industry revenues stood at RS.2390.79 cr versus Rs.2055.67cr in 2006 with the increment of 16% in 2007. Revenues& the total profit earned by the sector in 2007 is Rs.97.75cr versus RS.68.94cr in 2006 with the increment of 42%.

Fig.1 Industrial performance [5]

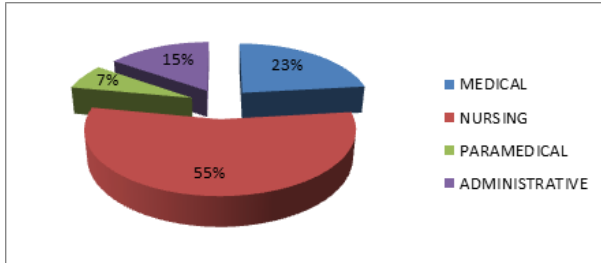


## 2. OBJECTIVES OF THE STUDY

- The objective of the study is to figure out the employee retention trend in Mediciti Hospitals, Hyderabad.

- To come out with the retention trend in the four departments i.e. Nursing, Medical, Paramedical and Administration and to find out the various reasons that might be responsible for the employees to change their job.

Medicity Hospital is located in the heart of the city opposite to AP secretariat in Hyderabad. The staff at the Hospital comprises 441 Doctors, 970 Nurses, 90 Paramedical staff, and 270 other administrative staff.

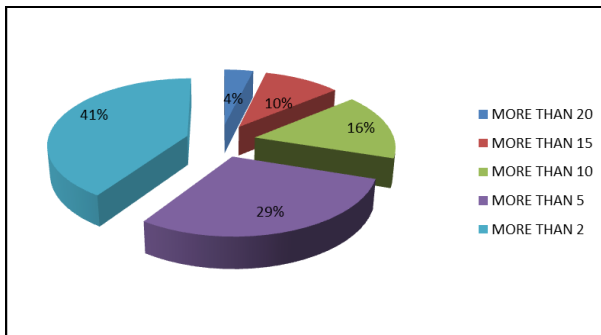


### 3. RETENTION ANALYSIS

This analysis has been carried out based on the tenure of the current employees. The total number of employees is 1771. Below subsections have the results of the analysis department wise.

#### 3.1 Medical

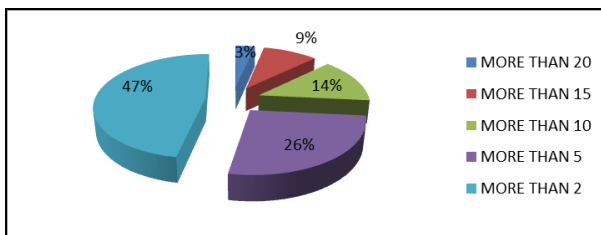
Fig.3 Tenure based analysis of Medicos [7]



From this observation it can be concluded that 29% of the doctors are those who have been working in the organization for more than 5 years. This comprises of 16% senior doctors, who have been working in the organization for more than 10 years and are comparatively more satisfied and happy with their job.

#### 3.2 Nursing

Fig.4 Tenure based analysis nursing [8]

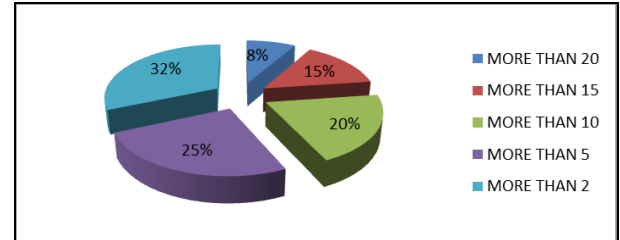


From this observation it can be concluded that 26% of the nurses are those who have been working in the organization

for more than 5 years. This comprises of 14% senior nurses, who have been working in the organization for more than 10 years and are comparatively more satisfied and happy with their job.

#### 3.3 Paramedical

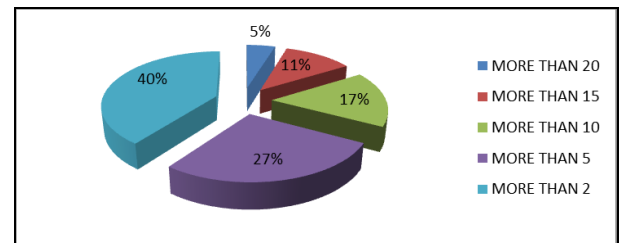
Fig.5 Tenure based analysis of Paramedical staff [9]



From this observation it is can concluded that 25% of the paramedical staff are those who have been working in the organization for more than 5 years. This comprises of 20% senior staff, which have been working in the organization for more than 10 years and are comparatively more satisfied and happy with their job.

#### 3.4 Administration

Fig.6 Tenure based analysis of Administration [10]



From this observation it can be concluded that 27% of the administrative staff are those who have been working in the organization for more than 5 years. 17% senior staff, who have been working in the organization for more than 10 years and are comparatively more satisfied and happy with their job.

#### 3.5 Comparison across Departments

Fig7 Tenure based department wise comparison [11]

	5 Yrs.	10 Yrs.	15 Yrs.	20 Yrs.
<b>MEDICAL</b>	29%	16%	10%	4%
<b>PARAMEDICAL</b>	25%	20%	15%	8%
<b>NURSING</b>	26%	14%	9%	3%
<b>ADMINISTRATI ON</b>	27%	17%	11%	5%

This analysis shows that the retention rate is highest among the paramedical staff i.e. 8% and lowest in nursing i.e. 3% and in doctors i.e. 4%. This is indicative that organization is healthy as one could find approximately 25 % of the staff with 5 years of experience. On the other hand the organization is

unable to retain the more experienced staff. There should be effective retention plans for the employees keeping in view of their growth and benefits.

The findings are also indicative that as the employees are gaining experience they are likely to leave the organization as they are finding better opportunities and avenues outside. Research demonstrates focusing towards job satisfaction and performance and retention based incentives for keeping the motivational levels high.

#### **4. ACKNOWLEDGEMENTS**

Special thanks to Dr. Venkata C Ram CEO, Medicity and Professor and Guide Ms. Mitu Matta for the constant support and guidance

#### **5. REFERENCES**

[1] Business week, 20 April 1988].

- [2] Wyosci,op.cit.,addresses this issue of replacement
- [3] Blasé J, After prison breaks, guards feel the heat: High profile escapes nudge state to address an acute shortage of guards. Christian Science Monitor,2 Feb 2001,
- [4] Smith, D.1999. The role of collective efficacy and transactive memory on aircrew performance.
- [5] Fig.1 Industrial performance
- [6] Fig.2 Manpower Distribution
- [7] Fig.3 Tenure based analysis of Medicos
- [8] Fig.4 Tenure based analysis nursing
- [9] Fig.5 Tenure based analysis of Paramedical staff
- [10] Fig.6 Tenure based analysis of Administration
- [11] Fig.7 Tenure based department wise comparison