



Factors Affecting Staff Retention Strategies Used in Private Syrian Companies during the Crisis

Moaz Nagib Gharib^{1*}, Ahmad Taha Kahwaji², Mohammed Osman Elrasheed³

¹Department of Management and Marketing, Dhofar University, College of Commerce and Business Administration, Salalah, Sultanate of Oman, ²Department of Management and Marketing, Dhofar University, College of Commerce and Business Administration, Salalah, Sultanate of Oman, ³Department of Management and Marketing, Dhofar University, College of Commerce and Business Administration, Salalah, Sultanate of Oman. *Email: mnagib@du.edu.om

ABSTRACT

The aim of current study is to exam elements influencing retention among employees in private Syrian companies during the crisis. The factors are training and professional development, organizational rewards system, job insecurity and job satisfaction. For this reason, 102 organized surveys were gathered. Obtained results from the study questionnaire were analyzed and examined by using statistical tests as correlation and multiple regression analysis. Results show that training and professional development have no significant impact on staff retention, while other variables (rewards system, job security and job satisfaction) have statistically significant effect on staff retention, analysis showed that job satisfaction has more effect than rewards system and job security on staff retention.

Keywords: Staff Retention, Training, Rewards System, Job Security, Job Satisfaction, Crisis, Syria

JEL Classifications: J63, M12

1. INTRODUCTION

This study discusses factors affecting retention of employees during the crisis in Syria. The retention of employees has been shown to be significant to the development and the achievement of the organizations' objectives and goals (Maliku, 2014). Employee's retention can be an important source of competitive advantage for any company. Nowadays, the bad economic, political and social situations are directly influencing employer/employee relationships. The loss of Syrian talented employees might be extremely impeding to the organization's future achievements and success. Superior employees may leave a company since they get to be distinctly disappointed, unmotivated or underpaid (Coff, 1997), and while the organization are attempting to retain their employees they may confront different difficulties also. Employees may request higher salaries, and may not respond to the company practices, and collaborate well with their colleagues or conform to their managers instructions or decisions. The main reasons which affect the employees intention to stay in companies during crisis are training and professional development, organizational rewards system, job security, and job satisfaction.

2. THEORETICAL FRAMEWORK

The continuous retention of skilled employees is a sensitive part for competitive advantage of the organization, because when an employee is retained for a longer period, which will extend organization outputs as well help in fostering the organization's productivity. Furthermore, it will decrease the cost and loss of time which is needed for recruiting and developing of new employees (Anis et al., 2011).

Retention has been defined as an obligation to continue to work or exchange with a specific organization on continuing basis, Samuel and Chipunza (2009) discovered the major aim of retention is to stop the loss of skilled employees from leaving the company as this could have negative impact on profitability and outcomes, retention additionally refers to the employees' eagerness to remain in a specific company and the capacity of this company to maintain its staff in service (Okioga, 2012; Bidisha and Mukulish, 2013; Domfeh, 2012). However, employees retention practices have turned into a dispiriting and highly difficult duty for managers and professionals of human resources in an unfriendly financial

environment. Researchers have obtained that employees retention is controlled by elements which should be overseen compatibly: Organizational culture, policies, salaries and rewards system, and training and professional development systems (Fitz-enz, 1990).

Here are some strategies to retain employees and prevent employees' turnover (training and professional development, rewards system, job security and Job satisfaction).

2.1. Training and Professional Development

Investment in employee training and professional development is considered essential factor for employee staying in the organization. Company has the incentive to invest in development and training to those employees, from whom it expects to profit and give yield for its venture (Messmer, 2000). As indicated by Clarke (2001), companies concentrate development for skilled employees, through proficiency analysis, input on employee concerns, need development and multisource evaluation of capabilities and make plans for future activities. Wetland (2003) suggested that companies and individuals invested in human capital in the form of development and training, which reinforces the aptitudes of workers. Organization needs to begin training and development program when employees are hired to improve the skill, (Goldstein, 1991). Deery (2008) viewed that training and development increase retention and commitment toward the organization, according to Noe (1999), employees have recognition to get new learning and skills which they use at work and moreover shift to various peers. Studies have found that company sometimes postpone training project of employees to confirm that they appreciate important relations with organization culture, in this manner the employee turnover aim will be deactivated (Lauri et al., 1996).

Training reflects company strategy that is depend on adding value rather than decreasing cost. Leading companies know that overall zone of training, ability and profession advancement is the key factor of strain and retention the form of flexible, developed and technological employees that company's plan to survive and grow in information technology economy (Bassi and Van Buren, 1999).

2.2. Rewards System

The common meaning of reward is something which offered by the company to the employees accordingly of their behaviors and contributions which are waited by the employees (Agarwal, 1998). The amount of pay, advantages, or equivalents employee received in return for action which employee renders to the company. Finding the suitable blend of tangible and intangible rewards to adequately retain your employees is a hard duty (Murphy, 2015), so reward can be inherent or outward, it can be in form of money or reward can be in form of recognition/declaration, for example, honor authentication or best employee of the week or the month and so on. In business world, companies can offer rewards in many ways e.g., acknowledgment, money rewards, grants, free excursions and free stocks etc. However, reward is anything which offers by the company in any way responding of employee's performance, to encourage him or her for doing great with positive behavior in the future. Silbert (2005) mentioned that rewards are vital in light of the fact that they have persisting impact on workers

and support the employee's opinion of that they are esteemed and their contributions are appreciated.

Research studies mentioned the relationship between retention of employees and rewards (Watson Wyatt, 1999; Mercer Report, 2003; Tower Perrin, 2003) and give deep insights about what employees need to do, their opinions about the system of rewards and their tendency and feelings toward the job and reward issues. The current research studies on talent and proficiency management also boost supposition that quite and wide implemented reward systems assist in proficiency and talent retention (Irshad, 2009).

2.3. Job Security

Job security was defined by Davy et al. (1997) as employee's assumptions about continuity in a specific job. It contains attractive job elements, such as promotion chances, current job situations, and future opportunities for developing career (Borg and Elizur, 1992).

One method for review the importance of job security is by its adverse, job insecurity which indicates to one's passive response to the variations related to their works (Sverke and Hellgren, 2002). As indicated by the theory of two dimensions about job insecurity scale (Sverke and Hellgren, 2002) quantitative job insecurity indicates to worries related to the future presence of the current occupation, while subjective job insecurity mentions to realized dangers of damaging business relationship quality. Samuel and Chipunza (2009) viewed that job security affect employee's retention.

2.4. Job Satisfaction

Employees who have high organizational obligation are the individuals who own a solid consistency with the company, esteem the sense of being members within it, agree with its goals and value bylaws, are probably going to stay in it and, eventually, are willing to sacrifice and work hard on its benefit (Curtis and Wright, 2001). This loyalty is impacted by the organization's standards and practices, particularly the organizational environment (Kaliprasad, 2006). Beside to organizational commitment, individual commitment and the acquiescence with mutual obligations are vital (Hyttter, 2007). Subsequently, managers have to consider factors of individuals and company in considering retention of employees. Many researches have examined the relation between job satisfaction of employees and leaving the work, and discovered an obvious passive relationship (Muchinsky and Morrow, 1980; Tett and Meyer, 1993; Trevor, 2001), that is mean if workers do not feel pleased in the work, their turnover will be up and they are probably to quit the organization.

3. HYPOTHESES

- H₁: Training and professional development have significant impact on staff retention
- H₂: Rewards system has significant impact on staff retention
- H₃: Job security has significant impact on staff retention
- H₄: Job satisfaction has significant impact on staff retention.

Study model is presented in Figure 1. Sample members frequencies are summarized in Table 1, which show that 43.14% of sample is middle aged 40-50 years group.

Instrument reliability has been assessed by using Cronbach's Alpha, where the results viewed all variables have consistency with good values, except high values for training and job satisfaction, as stated in Table 2.

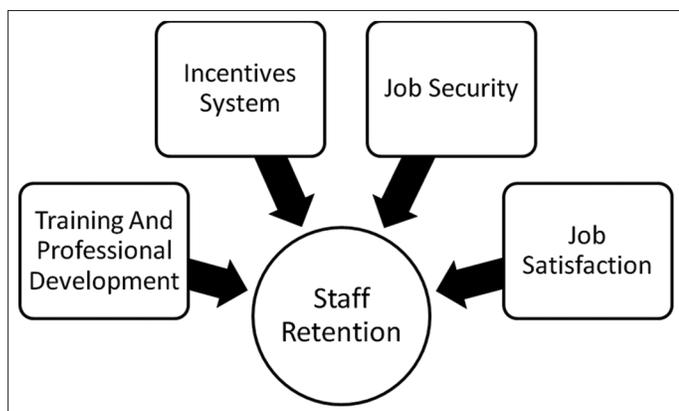
Table 2 showed that recognizing factors affecting staff retention by sample members were medium, also showed that, level of staff retention was 3.4549 more than average.

4. CORRELATION ANALYSIS AND MULTIPLE REGRESSION

We used this analysis to determine the correlation coefficient among study elements, Table 3 showed that correlation coefficients amongst variables were significant except the relation between (training and professional development) and staff retention was very low and not significant, the correlation between staff retention and job satisfaction was the highest value 0.457 at 0.01 significant level.

Hypotheses of this research have been examined by using the analysis of multiple regression, using SPSS Statistical Package for the Social Sciences program, Table 4 presented that the study model seems valid because F value was (65.38) with (0.032) significance level. The outcomes demonstrated that training and professional development does not affect statistically and significantly on staff retention, since beta value was negative at significant value 0.064, that's mean we can say we do not have significant effect of training and professional development on staff retention, which means H_1 : (Training and professional development have significant impact on staff retention) is not supported, while other variables (rewards system, job security and job satisfaction) affect statistically and significantly on staff retention, job satisfaction affects more than rewards system and job security on staff retention, we can conclude that from values of beta. The explanatory power has reached to 22% which means these variables (training and professional development, rewards system, job security and job satisfaction) can explain around 22% of the effect on staff retention.

Figure 1: Study model



5. RESULTS

1. Whenever the company has trained its employees and has given them experience whenever weakened its ability to keep them unless working to raise their loyalty and job satisfaction,

Table 1: Frequencies of demographic variables

Variables	Elements	Frequency (%)
Gender	Female	51 (50)
	Male	51 (50)
	Total	102 (100.0)
Age (years)	<30	28 (27.45)
	From 30 to <40	25 (24.51)
	From 40 to <50	44 (43.14)
	50 and above	5 (4.90)
	Total	102 (100.0)
Position	Administrative	76 (74.5)
	Technician	26 (25.5)
	Total	102 (100.0)
Experience (at present work)	<1 year	27 (26.5)
	From 1 to <3	38 (37.3)
	From 3 to <5	27 (26.5)
	5 and above	10 (9.8)
	Total	102 (100.0)
Education	Diploma	46 (45.1)
	Bachelor	51 (50.0)
	Master and Ph.D.	5 (4.9)
	Total	102 (100.0)
Marital status	Single	31 (30.39)
	Married	71 (69.61)
	Total	102 (100.0)

Table 2: SD, mean, items number and Cronbach's alpha

Variables	Mean±SD	Items number	Cronbach's alpha
Training and professional development	3.1895±1.0284	3	0.806
Rewards system	3.0015±0.8918	5	0.726
Job security	2.9651±0.9962	2	0.719
Job satisfaction	3.3522±0.8713	5	0.824
Staff retention	3.4549±0.8864	5	0.703

SD: Standard deviation

Table 3: Correlation values and significance

Variable	Staff retention
Training and professional development	
Pearson correlation	-0.220
Significant (two-tailed)	0.064
N	102
Rewards system	
Pearson correlation	0.297*
Significant (two-tailed)	0.040
N	102
Job security	
Pearson correlation	0.317*
Significant (two-tailed)	0.016
N	102
Job satisfaction	
Pearson correlation	0.457**
Significant (two-tailed)	0.009
N	102

*Correlation is significant at the 0.05 level, **correlation is significant at the 0.01 level

Table 4: Results of multiple regression analysis for the factors affect staff retention

Variables	B	Beta	T	significant	R ²	F	Sig
Training and professional development	-0.003	-0.043	-0.539	0.064	0.221	65.38	0.032
Rewards system	0.103	0.165	1.991	0.040			
Job security	0.041	0.111	2.026	0.016			
Job satisfaction	0.295	0.306	3.032	0.009			

this result agrees with Terera and Nagirande study (2014) and disagree with Hassan et al. (2013) study and the study of Mattox and Jinkerson (2005) which found a positive impact of training on retention

- There is a positive correlation so there is a direct relationship between the rewards offered by the company to employees and the ability to retain them, the existence of rewards is not a sufficient reason to prevent employees from quitting their companies, especially during the crisis
- Job security at work is one of the basic factors that drive employees to uphold his work, it influences positivity the retention of employees, and this result agrees with Kassa (2015), so the company must clearly define what are the rights that the employee should receive when employment take a place and how to maintain them, so as to develop a sense of loyalty and responsibility to him, i.e., as long the company able to continue despite the crisis conditions and gives employees a sense of security and business' continuity as its ability to retain them will be greater
- Job satisfaction effects on staff retention, this result indicates that job satisfaction with highest mean has the most effect on staff retention, so the result here agrees with study of Kwenin et al. (2013) which applied on employees in Vodafone Ghana, this is due the employees do not have many options or alternatives during the current crisis, so they are satisfied with present job because of fearing of not getting a new job if they left the current organization.

6. RECOMMENDATIONS

We found from this research that the traditional elements that affect the retention of staff had a Positive effect-except training and professional development-in the Syrian private companies during this crisis, which requires the companies to work on the following:

- Giving employees a sense of job security and the ability to continue in light of this crisis (i.e., the presence of company headquarters in safe areas and to reassure employees that the company is able to profit and continue during this crisis through meetings and the involvement of a greater number of staff in the administration
- Working to raise employee's satisfaction and ensuring that all their financial and moral rights are guaranteed, regardless of the employees gender, age, nature of his work, or even the number of experience years within the company
- Work to develop strategies to face the increasing cost of live, by giving financial compensation and raise wages to match the rising prices
- The need for training programs and workshops for employees held in the field of crisis management, considering the issue

of dealing with the crisis circumstances an important part of strategic planning.

REFERENCES

- Agarwal, N.C. (1998), Reward systems: Emerging trends and issues. *Canadian Psychology*, 39(1), 60-70.
- Anis, A., Rehman, I., Nasir, A., Safwan, N. (2011), Employee retention relationship to training and development: A compensation perspective. *African Journal of Business Management*, 5(7), 2679-2685.
- Bassi, L.J., Van Buren, M.E. (1999), Sharpening the leading edge. *Training and Development*, 53(1), 23-32.
- Bidisha, L.D., Mukulesh, B. (2013), Employee retention: A review of literature. *Journal of Business and Management*, 14, 8-16.
- Borg, I., Elizur, D. (1992), Job insecurity: Correlates, moderators and measurement. *International Journal of Manpower*, 13, 13-26.
- Clarke, K.F. (2001), What businesses are doing to attract and retain employee becoming an employer of choice. *Employee Benefits, Journal*, 3, 34-37.
- Coff, R.W. (1997), Human assets and management dilemmas: Coping with hazards on the road to resource-based theory. *Academy of Management Journal*, 22, 374-402.
- Curtis, S., Wright, D. (2001), Retaining employees - The fast track to commitment. *Management Research News*, 24(8), 59-64.
- Davy, J., Kinicki, A., Scheck, C. (1997), A test of job security's direct and mediated effects on withdrawal cognitions. *Journal of Organizational Behavior*, 18, 323-349.
- Deery, M. (2008), Talent management, work-life balance and retention strategies. *International Journal of Contemporary Hospitality Management*, 20, 792-806.
- Domfeh, R. (2012), An Examination of the Effects of Employee Retention Strategies on the Performance of Selected Rural Banks in Ashanti Region. Master Thesis, Kwame Nkrumah University of Science and Technology. p22.
- Fitz-enz, J. (1990), Getting and keeping good employees. *Personnel*, 67(8), 25-29.
- Goldstein, I. (1991), Training in organizations. In: Dunnette MD, Hough LM, editors. *Handbook of Industrial and Organizational Psychology*. 2nd ed., Vol. 2. Palo Alto, CA: Consulting Psychologists Press. p507-619.
- Hassan, W., Razi, A., Qamar, R., Jaffer, R., Suhail, S. (2013), The effect of training on employee retention. *Global Journal of Management and Business Research Administration and Management*, 13(6), 16-20.
- Hytter, A. (2007), Retention strategies in France and Sweden. *Irish Journal of Management*, 28(1), 59-79.
- Irshad, M. (2011), Factors affecting employee retention: Evidence from literature review. *Abasyn Journal of Social Sciences*, 4(1), 84-102.
- Kaliprasad, M. (2006), The human factor I: Attracting, retaining, and motivating capable people. *Cost Engineering*, 48(6), 20-26.
- Kassa, T. (2015), Employee motivation and its effect on employee retention in ambo mineral water factory. *International Journal of Advance Research in Computer Science and Management Studies*, 3(3), 10-21.
- Kwenin, D.O., Muathe, S., Nzulwa, R. (2013), The influence of employee

- rewards, human resource policies and job satisfaction on the retention of employees in Vodafone Ghana Limited. *European Journal of Business and Management*, 5(12), 13-20.
- Lauri, B., Benson, G., Cheney, S. (1996), The top ten trends. *Training and Development*, 11, 28-42.
- Maliku, M. (2014), The Perceived Relationship between Employee Retention and Organizational Performance at National Oil Corporation of Kenya. Master Thesis, School of Business University of Nairobi. pix.
- Mattox, J.R., Jinkerson, D.L. (2005), Using survival analysis to demonstrate the effects of training on employee retention. *Evaluation and Program Planning*, 28, 423-430.
- Mercer Report. (2003), Mercer Study Raises Red Flags for Employer Pay and Benefits Plans (Findings of the 2002 People at Work Survey). Human Resource Department Management Report. p8-15.
- Messmer, M. (2000), Orientations programs can be a key to employee retention. *Strategic Finance*, 81(8), 12-15.
- Muchinsky, P.M., Morrow, P.C. (1980), A multidisciplinary model of voluntary employee turnover. *Journal of Vocational Behavior*, 17(3), 263-290.
- Murphy, B. (2015), The Impact of Reward Systems on Employee Performance. Master Thesis. Dublin Business School. p23.
- Noe, R.A. (1999), *Employee Training and Development*. New York: Irwin McGraw Hill. p212-218.
- Okioga, C. (2012), The contribution of a developed reward system on employee retention; A case of Kisii Bottlers Limited: Kenya. *European Journal of Business and Management*, 4(16), 9-22.
- Samuel, M., Chipunza, C. (2009), Employee retention and turnover: Using motivational variables as a panacea. *African Journal of Business Management*, 3(8), 410-415.
- Silbert, L.T. (2005), The Effect of Tangible Rewards on Perceived Organizational Support, *Management Sciences*. Available from: <http://www.uwspace.uwaterloo.ca/bitstream/10012/872/1/lilbert2005.pdf>.
- Sverke, M., Hellgren, J. (2002), The nature of job insecurity: Understanding employment uncertainty on the brink of a new millennium. *Applied Psychology*, 51, 23-42.
- Terera, S.R., Ngirande, H. (2014), The impact of training on employee job satisfaction and retention among administrative staff members: A case of a selected tertiary institution. *Journal of Social Sciences*, 39(1), 43-50.
- Tett, R.P., Meyer, J.P. (1993), Job satisfaction, organizational commitment, turnover intention and turnover: Path analysis based on meta-analytic findings. *Personnel Psychology*, 46, 259-293.
- Tower Perrin. (2003), Rewards: The not-so-secret ingredient for managing talent. (Retention), *HR Focus*, 80(1), 3-10.
- Trevor, C. (2001), Interactions among actual ease-of-movement determinants and job satisfaction in the prediction of voluntary turnover. *Academy of Management Journal*, 44(4), 621-639.
- Watson Wyatt. (1999), *Work USA 2000: Employee Commitment and the Bottom Line*. Bethesda, MD: Watson Wyatt. p43-58.
- Wetland, D. (2003), The strategic training of employee's model: Balancing organizational constrained training content. *S.A.M. Advanced Management Journal*, Winter, Cincinnati, 68(1), 103-107.