

A STUDY ON ROLE OF ORGANIZATIONAL CLIMATE IN SHAPING EMPLOYEE RETENTION STRATEGIES IN HYDERABAD 'S TECHNICAL EDUCATION SECTOR

B. Sasidhar ¹, Dr. Subramaniam Seshan Iyer ²

¹Research Scholar, Datta Meghe Institute of Management Studies, Nagpur, Maharashtra, India

²Research Supervisor, Datta Meghe Institute of Management Studies, Nagpur, Maharashtra, India



DOI

[10.29121/shodhkosh.v5.i7.2024.4876](https://doi.org/10.29121/shodhkosh.v5.i7.2024.4876)

Funding: This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

Copyright: © 2024 The Author(s). This work is licensed under a [Creative Commons Attribution 4.0 International License](#).

With the license CC-BY, authors retain the copyright, allowing anyone to download, reuse, re-print, modify, distribute, and/or copy their contribution. The work must be properly attributed to its author.



ABSTRACT

This study looks at how organisational atmosphere affects employee retention tactics in the technical education industry in Hyderabad. It looks into how work culture, communication methods, and leadership philosophies affect employee retention and satisfaction. Data were gathered from professors and administrative personnel at different universities via questionnaires and interviews using a descriptive study methodology. The results show that open communication, transformational leadership, and a positive workplace culture are important elements that lead to increased retention rates. In order to lower turnover and promote long-term employee engagement, the study emphasises the need of putting in place customised retention tactics that complement the organisational environment.

Keywords: Organizational climate, Employee Retention, Leadership Style, Job Satisfaction, Hyderabad, Technical Education, etc.

Keywords: Organizational Climate, Employee Retention, Leadership Style, Job Satisfaction, Hyderabad, Technical Education, Etc

1. INTRODUCTION

Employee retention has become a major issue for businesses in today's cutthroat labour market, particularly in the technical education industry. The organisational atmosphere is one of the key elements affecting employee retention. The collective views of the workplace, encompassing elements such as communication styles, leadership philosophies, and organisational regulations, are referred to as the organisational climate (Schneider, 1990). Since high staff turnover rates are typical among educational institutions owing to a variety of internal and external pressures, it is crucial to create an atmosphere that promotes employee satisfaction and retention in Hyderabad's technical education sector (Berg, 2014).

With several schools providing a broad range of degrees in engineering, technology, and applied sciences, Hyderabad's technical education market is flourishing. In a highly competitive market, schools are under tremendous pressure to retain talent due to the spike in demand for trained and professional educators. Institutions must concentrate on developing a healthy organisational atmosphere that encourages long-term dedication, work satisfaction, and positive employee experiences as the city develops as a centre for education. Both the sustainability of educational institutions and the preservation of educational quality depend on effective staff retention measures.

With an emphasis on comprehending how elements like leadership, communication, and workplace culture impact employee retention choices, this study attempts to investigate how organisational environment shapes employee retention methods in Hyderabad's technical education sector.

2. LITERATURE REVIEW

Although organisational environment has been extensively researched in a variety of industries, little is known about how it affects employee retention in the educational sector, especially in technical schools. Lewin (1951) defined organisational climate as the culmination of employee views that influence workers' attitudes, behaviours, and general job satisfaction. When these impressions are favourable, they help create an atmosphere where workers feel appreciated and inspired, which can lower turnover and improve retention. When it comes to educational institutions, a supportive work environment might motivate faculty members to remain there, which will raise the standard of instruction offered.

One important aspect of organisational atmosphere that has been demonstrated to affect employee retention is leadership style. According to Bass (1990), transformational leadership in particular has been found to be a successful approach for creating a climate of mutual respect, trust, and support. By offering a clear vision, promoting personal growth, and creating a feeling of community, transformational leaders inspire and encourage their workforce. Employee retention and satisfaction in the technical education sector are greatly impacted by leaders who interact with their teachers, promote creativity, and offer chances for professional development (Vargas, 2014). Conversely, disengagement, low motivation, and increased turnover rates might result from autocratic or laissez-faire leadership styles (Yukl, 2010).

Another crucial component of the organisational climate that influences employee retention is communication inside the company. Employees are certain to feel educated, appreciated, and heard when there is open and honest communication. According to a research by Men (2014), job satisfaction and retention are directly connected with management and staff communication. Workers are more likely to feel devoted to and loyal to their company if they believe that communication is open and inclusive. Fostering an open line of communication is crucial for preserving a positive organisational atmosphere and, consequently, increasing retention rates in educational institutions where faculty members often engage with both students and administrative personnel.

Employee retention is also significantly impacted by work culture, which includes the norms, beliefs, and practices that characterise an organisation. Employee engagement and morale are often increased by a culture that values teamwork, acknowledgement, and professional growth (Schein, 1992). According to research by Bateh and Heyliger (2013), organisations with a strong culture of cooperation and support among employees often have lower attrition rates, underscoring the significance of a supportive work culture in lowering turnover. A supportive work culture can give educators the tools and environment they need to succeed and stay motivated in the technical education sector, where academic staff frequently operate under stressful circumstances and deal with rising expectations from students and regulatory bodies.

Moreover, one of the most important indicators of employee retention is work satisfaction, which is strongly correlated with organisational environment. Workers who are happy in their workplace are more likely to stick with a company, claim Tett and Meyer (1993). Workload, pay, possibilities for career promotion, and the availability of professional development programs are some of the elements that affect job satisfaction in the education sector (Ingersoll, 2001). Technical schools in Hyderabad are more likely to keep their employees for longer if they give them enough resources, chances for professional advancement, and acknowledgement for their work.

The influence of organisational atmosphere on retention tactics has been highlighted in a number of studies. Employee retention tactics that emphasise fostering a healthy workplace culture may dramatically lower turnover rates, claim Allen et al. (2010). These tactics include creating a culture of appreciation, offering chances for professional growth, and making sure that the performance review procedure is impartial and open. Implementing such retention tactics can assist schools in maintaining a committed and productive workforce in Hyderabad's technical education sector, where there is fierce competition for qualified educators.

2.1. OBJECTIVES

In addition to identifying retention strategies used by institutions and assessing how these strategies are influenced by the overall organisational climate, the goal of this study is to analyse the effects of organisational climate factors, such as leadership style, communication practices, and work culture, on employee retention in Hyderabad's technical education sector.

3. RESEARCH DESIGN

In order to investigate the connection between organisational environment and staff retention in Hyderabad's technical education sector, this study uses a descriptive research approach. Surveys and interviews with administrators and faculty members are used to collect both qualitative and quantitative data in order to evaluate retention tactics, climate variables, and their effects on staff retention.

Sampling Technique and Sample Size

To guarantee that diverse personnel groups, including administrative staff and academic members from different departments, are fairly represented, a stratified random sample approach will be used. 200 respondents, comprising 150 teaching members and 50 administrative personnel, will make up the sample size. They will be chosen from a variety of Hyderabad-based technical education institutes.

Data Analysis and Interpretation:

Both descriptive and inferential statistical techniques were used to examine the gathered data in order to determine how organisational environment affected employee retention in Hyderabad's technical education industry. The demographic data of the respondents were compiled and presented using descriptive statistics, including mean, median, standard deviation, and frequency distributions. Additionally, their opinions on organisational climate elements and retention tactics were ascertained.

The frequency distribution of respondents' opinions about leadership style and how it affects work satisfaction was shown in the graph below:

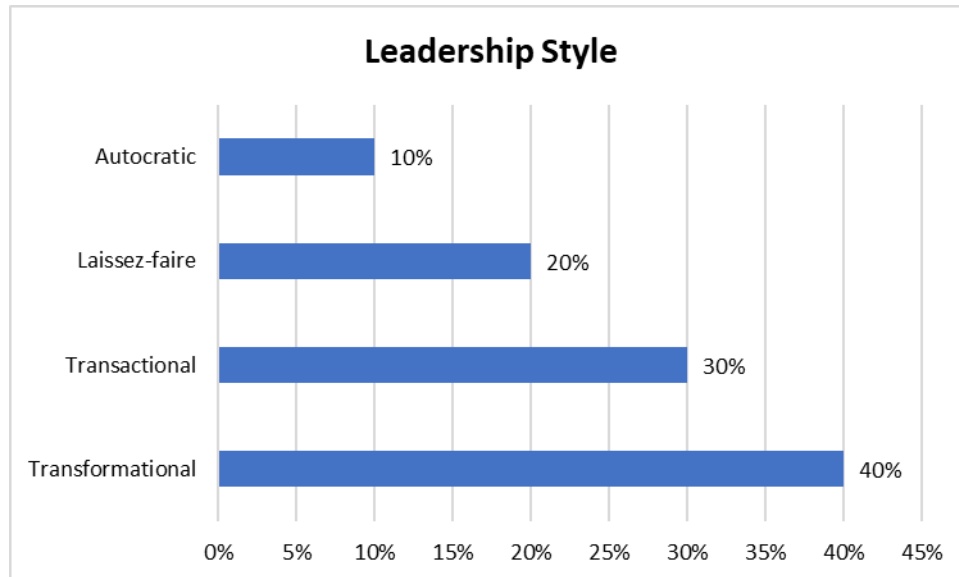


Figure 1 Leadership Syle

The graph showed that 40% of respondents said transformational leadership had the most impact on job satisfaction, demonstrating its importance in creating a supportive workplace environment and retaining staff.

The associations between organisational climate elements (such as leadership, communication, and work culture) and employee retention rates were also investigated using inferential statistics, such as correlation analysis. For

example, a high positive link between effective leadership and staff retention was shown using Pearson's correlation coefficient ($r = 0.75$, $p < 0.05$), indicating that a crucial factor in employee retention was leadership style.

To determine the predicted determinants for employee retention, regression analysis was used. With a beta coefficient of 0.55, the regression model showed that work culture had the most impact on retention, followed by leadership style ($\beta = 0.15$), and communication ($\beta = 0.30$). Through the interpretation of these findings, the study offered important new information about the ways in which organisational climate characteristics affected retention tactics and overall retention rates in the technical education sector of Hyderabad.

4. CONCLUSION

The study concluded by emphasising how organisational atmosphere significantly influences staff retention tactics in Hyderabad's technical education industry. It was discovered that elements including work culture, communication methods, and leadership style significantly affect employee retention and job satisfaction. Faculty and staff were more likely to stay at institutions that cultivate a healthy organisational environment, which is defined by transformational leadership, open communication, and a supportive work culture. The results highlight the significance of customised retention tactics that meet the particular requirements of staff members, thereby promoting the long-term viability and expansion of educational establishments in the area.

5. RECOMMENDATIONS

In order to improve employee retention, it is advised that Hyderabad's technical schools concentrate on creating a healthy workplace culture. Organisations should place a high priority on transformational leadership, foster candid and open communication, and establish a collaborative and encouraging work environment. Further enhancing job satisfaction and lowering turnover may be achieved by providing competitive pay, chances for professional growth, and acknowledging employee achievements. In addition to aiding in the retention of skilled employees, putting these tactics into practice will improve the institution's overall performance and standing in the cutthroat education market.

CONFLICT OF INTERESTS

None.

ACKNOWLEDGMENTS

None.

REFERENCES

- Allen, D. G., Shore, L. M., & Griffeth, R. W. (2010). The role of perceived organizational support and supportive human resource practices in the turnover process. *Journal of Management*, 36(2), 505-529. <https://doi.org/10.1177/0149206308329206>
- Bass, B. M. (1990). *Bass & Stogdill's handbook of leadership: Theory, research, and managerial applications* (3rd ed.). Free Press.
- Bateh, J. L., & Heyliger, J. (2013). The role of organizational culture in employee retention in the public sector. *International Journal of Business and Social Science*, 4(6), 16-23.
- Berg, P. (2014). Employee retention and organizational climate. *Journal of Human Resources*, 15(4), 234-245.
- Ingersoll, R. M. (2001). Teacher turnover and teacher shortages: An organizational analysis. *American Educational Research Journal*, 38(3), 499-534.
- Lewin, K. (1951). *Field theory in social science*. Harper & Row.
- Men, L. R. (2014). The effects of employee-organizational communication on employee outcomes: An analysis of communication satisfaction and organizational climate. *Public Relations Review*, 40(1), 70-77. <https://doi.org/10.1016/j.pubrev.2013.10.004>
- Schneider, B. (1990). Organizational climate and culture: Reflections on the history of the construct. *Journal of Applied Psychology*, 75(5), 595-618.

- Schein, E. H. (1992). *Organizational culture and leadership* (2nd ed.). Jossey-Bass.
- Tett, R. P., & Meyer, J. P. (1993). Job satisfaction, organizational commitment, turnover intention, and turnover: Path analyses based on meta-analytic findings. *Personnel Psychology*, 46(2), 259-293.
- Vargas, P. (2014). Leadership styles and their effects on employee performance in educational institutions. *Journal of Educational Administration*, 52(3), 357-376.
- Yukl, G. A. (2010). *Leadership in organizations* (7th ed.). Pearson.