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# Compensation factors and coping styles: Cross country study on faculty members

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Researches of the past have given several findings on whether “money or compensation” is a factor which influence one’s decision to continue or leave any organisation. Many research reports support the argument with a “yes”, while others support with a “no”. In order to apply those findings and accept such reports as authentic, a study was conducted on postgraduate faculty members in academic institutions. Institutions across countries were approached to collect data. The data collected was subjected to concrete statistical tools. The findings indicate that the compensation factors significantly influence faculty member’s decision to stick within the organisation or switch over to other institutions. Here, the study observed that the coping styles of faculty members may vary from ‘resignation’ to ‘forced adjustment’. The data from various countries were collected and analysed. It was observed that compensation factor is a major factor which influences faculty member’s decision to ‘leave the organisation’. The compensation policies of the academic institutions directly influence the retention of academic staff. The implication part of the research further indicates the consequences of weak compensation policies at the institutional level. The study envisaged a ‘strategic compensation policy’ which will be mutually beneficial to institution and faculty development.

**Key words:** Compensation factors, coping, faculty members, post graduate institution.

## INTRODUCTION

For many academic institutions, staffing has become an important issue because the ability to hold on to highly talented core faculty members can be crucial to attract students and the institutions future survival. Retention of faculty members, especially expatriates, in higher education institutions is challenging because of expectancy factors and motivation factors. Many factors which include both structural and psychological factors come up before faculty members have to take a final decision on ‘whether to stay or leave the institution’. Many faculty members are directly motivated to financial/compensation factors especially when they have to take decision to migrate from home country to host country where better compensation package, linked to various ‘professional opportunities to earn and grow’ is observed. These opportunities are directly linked to finding funds in academic profession which include research grant, academic scholarship, corporate training and development, consultancies, publication, sponsorship in attending conferences and symposiums, organizing academic events,

quality assurance participation, undertaking projects, etc. Such compensation factors are also integrated with several psychological factors viz., free family visa, subsidized family housing accommodation, child education allowances, paid annual leaves, job package for spouse, to and fro tickets to all family members, house furnish allowances, etc. Considering this context, this particular research tries to analyze the effect of compensation factors on coping styles. This particular study tries to analyze how far the compensation policies of the academic institutions directly influence the coping styles of academic staff, which determine attrition or retention rate.

## LITERATURE REVIEW

The professoriate has become a large and complex profession with at least three and a half million professionals involved in postsecondary teaching worldwide, serving more than eighty million students (Task

Force on Higher Education and Society, 2000). The professoriate is at the heart of the academic enterprise. Without a committed faculty, no university can be successful nor can effective teaching and learning take place. Yet, despite the great presence of higher education in the technological world of the 21<sup>st</sup> century, the academic profession finds itself under increasing pressure. Working conditions have deteriorated at the same time that traditional autonomy has diminished. Increased enrollments have not been accompanied by commensurate growth in faculty appointments or salaries. At present, there are unprecedented changes taking place in the terms of appointment, working conditions, and management of the academic profession. It is an opportune time to look at how the professoriate is changing internationally.

### **Teacher turnover**

According to Ingersoll (2001), turnover is the departure of teachers from their teaching jobs. In this context, there are three categories of turnover as cited by Luekens et al. (2004). These three types, according to Luekens et al. (2004), include: stayers, leavers, and movers. Stayers remain in their schools from year to year, movers transfer or migrate to other schools, and leavers make the decision to turn to other careers instead of teaching. In either of the latter two cases, the school must deal with recruiting and training replacements, adding to the costs of teacher turnover.

### **Compensation policy and retention**

A large number of studies have examined the relationship between pay and retention and have found a consistent association between larger teacher salaries and lower rates of attrition (Podgursky et al., 2004; Hanushek et al., 2004; Kelly, 2004; Stockard and Lehman, 2004; Kirby et al., 1999; Gritz and Theobald, 1996; Brewer, 1996; Johnson and Birkeland, 2003; Ingersoll, 2001; Weiss, 1999; Ingersoll and Alsalam, 1997; Hall et al., 1992; Murnane et al., 1991, 1989; Rickman and Parker, 1990; Murnane and Olsen, 1989, 1990; Jacobson, 1988). In Borman and Dowling's (2002) meta-analysis, they included 14 studies looking at teacher salaries as a predictor of turnover and found the strongest effects for teachers later in their careers.

### **Why faculty members leave institution? - Different factors**

Hoerr (1998) argues that any non-merit-based system is unfair for exceptional teachers because they are judged on inefficient criteria. This will cause, it is argued, talented teachers to leave the education system because

excellence is not fairly rewarded (Odden, 2001). Isolating this elsewhere (Davies, 2001; Oh, 1996; Walker, 2001), Johnson (2005) indicates that the way a teacher is employed and matched to the working environment is directly related to how they feel about the job and whether the teacher stays in the profession. McCrindle (2006) indicates that those who enter the teaching profession are more demanding and calculating in their working lives, offering themselves to the highest bidder and changing schools, or even professions, for the best deal. An employee's decision to resign from a company (institution) is rarely due to a single event, such as being passed over for a promotion, a plum serve as a catalyst, but most employees leave because of multiple factors - the turnover drivers such as diminished job satisfaction, a tense work environment and better advancement opportunities elsewhere (Davies, 2001; Oh, 1996; Walker, 2001).

### **Global scenario of faculty retention**

This particular study on faculty attrition factors was conceived by some of the recent review of literature. Mathews (2003) findings on academic staff retention pointed out that "early in the 21<sup>st</sup> century, there will be a crisis in Australian higher education with an estimated academic labor shortage of 20,000 if this trend is not addressed". Similar findings were also reported by National Center for Educational Statistics (2001) that the problem of academic staff retention is a global one which affects both developing and industrialized countries. The difficulties within OECD countries are well documented. In the United States, for example, about 7.7% of all full-time academic staff left their institutions for other places within one academic year - from Fall 1997 to Fall 1998. Of these, only 29% were retirees; the remaining 71% left for a variety of reasons. A 2000 survey of full-time faculty members in the US showed that more than 40% of them had contemplated changing careers (Sanderson et al., 2000). In Canada, it has been argued that one of the challenges that universities will face over the next decade or so is academic recruitment and retention (Carleton University, 2000; The Laurier Institution, 2000). This paper is giving importance to the observations on compensation factors that considerably influence the faculty member's decision to stay in or leave from educational institutions.

### **Attrition of faculty members**

Numerous research works are carried out on employee's retention from which is based on employee's perspective. A number of studies indicates that proper human resource management of an organization could ensure competitive advantage over others (Delery, 1998; Huseild, 1995; Walker, 2001), for many organizations, strategic staffing

has become an important issue because the ability to hold on to highly talented core employees can be crucial to future survival (Ettore, 1997; Whiltner, 2001). Several studies were conducted by research scholars on this gray area of attrition factors of faculty members in universities and higher education academic institutions. These studies suggest that business schools are suffering from a Ph.D. shortage that promises to deteriorate with time (AACSB International, 2003; Bisoux, 2002). Many colleges and universities are losing their intellectual capital as faculty migrates to other institutions and consultancy. Budget problems and higher education funding cuts are consistently cited as the reason for the exodus (Gillette, 2002). The Stanford University retention recruitment study findings revealed that the cost of turnover at the university was \$ 68 million annually. The highest separation rates were found within academic areas. Costs associated with conducting entrance and exit interviews, communicating job availability in professional periodicals, and moving/travel expenses are typically incurred by the colleges and universities. In fact, Mercer consultants estimated that turnover for a faculty member can cost up to twice the base salary ("Staff Retention and Recruitment Issues," 2001). Kaye and Jordan (1999) after examining countless research studies, concluded that "the cost of replacing key people runs between 70 and 200% of their annual salary. Hard costs can include advertising, search firms, interviewing and relocation expenses, and sign-on bonuses. And the softer, harder-to-measure costs can include time spent on interviewing, orienting, and training (and the work put on hold to do it), lost customers (due to their loyalty to the former employees), and declining morale and productivity on the part of remaining coworkers". Moore and Marilyn (1993) in their study related to higher education systems and attrition trend clearly indicates the primary reason for faculty leaving.

One-third of the faculty gave salary as the reason they left. Retirement was the second most frequent reason for leaving, and professional advancement, the third. "Professional advancement" reasons included promotion in academic rank, advancement to academic administrative positions, and promotion in private sector organizations.

The institutional profile also provides some basic information about why faculty left this university. In most instances, senior administrators and policy makers would not be surprised to learn that salaries and professional advancement/promotion opportunities can lure faculty away from state universities, especially during a decade of slow growth in salaries (American Association of University Professors, 1990). The importance of salary as a reason for leaving reinforces the national study findings and the need for sound compensation policies and practices.

Robbins (1991) indicates that workers prefer jobs that reward them on the basis of what they perceive as economically justifiable. Tetey's (2006) findings on staff

retention in African Universities indicate that dissatisfaction with salaries is a key factor undermining the commitment of academics to their institutions and careers, and consequently, their decision or intent to leave. Some institutions offer various allowances which supplement staff member's base salaries. While acknowledging that allowances do help supplement staff income, it is important not to construe the difference between the base salary and the consolidated remuneration to mean that staff members are necessarily well catered for. Some of the allowances are specifically for research and the purchase of books. So, if staff channel the allowances toward their intended purposes, instead of personal needs, their situation does not get much better. Furthermore, the cost of living erodes much of the cushion provided by the allowances. Some institutions have devised creative ways of rewarding their academic staff which include salary 'top-ups' which come from income generated from students enrolled in fee-paying programs. While highly commendable, these efforts should not be seen as a substitute for providing academics with 'livable' salaries.

Tetey (2006) findings on staff retention in African universities, further indicates that despite the fact that salaries tend to feature significantly in discussions with respondents, it was clear that they are willing to subordinate higher salaries to very good benefit packages that will enable them to live relatively comfortably during their working lives as well as after retirement. They, therefore, put a high premium on benefits such as good health care coverage, car and housing loan schemes, support for children's education, and a reasonable pension. The idea of merit pay and market supplements for academics has met with a lot of controversy and resistance in various universities around the world. Because of the politically charged reaction that they evoke, all of the case study universities shy away from them, certainly in explicit ways.

Brinn et al. (2001) in their study on accountancy and finance faculty in the UK clearly pointed out the reluctance on the part of professional staff to enter academia, because of the steady decline in academic salaries, compared to salaries in business and other professional jobs. Partly because of this trend, a gap has emerged between professional and academic accounting, which "may lead to the content of university accounting education being seen of less and less relevance to the needs of professional accounting bodies" (Brinn et al., 2001; Metcalf et al., 2005). Maruyama (1992) in her report indicates that, one final way in which research begins is from the availability of research funds. Federal and state funding priorities channel research in specific directions and encourage educational researchers to form partnerships to work in the desired areas. According to Whiston (1992), by and large, funds are distributed to the universities according to their capacity to conduct fruitful research, quality of

facilities, presence of research staff and graduate students. There is an obvious interrelationship between research grants and university research capacity.

A study conducted by Marilyn (1993) on professors and associate professors distinctively on their reasons 'why they want to leave institution' gives a different picture for discussion. While examining all faculties who left the institution during the 10-year period, the data show somewhat different trends by academic rank. Full professors are most likely to leave for reasons of professional advancement or difficulties with the university, including conflict with senior administrators and institutional policies/practices (professional quality of life issues). Excluding salary, associate professors were most likely to leave the institution for issues related to resources and the balance of teaching and research. This group was the least likely to give salary as a reason for leaving, although, salary was still an important consideration. Howard (2011), in this context, further report that the general rule of thumb for salary ranges for various levels of professors at global level, are \$ 45,000.00 to 65,000.00 for assistant professors, \$ 60,000.00 to 80,000.00 for associate professors, and \$ 70,000 to 85,000.00 for full professors. However, it can be more or less depending on the factors mentioned. Professors often have a hard time making ends meet at these salary levels. As a result, they are forced to obtain additional sources of income such as consulting, research, or additional teaching. Also, the spouses of the majority of professors are forced to work to make up the difference.

### **Problem formulation**

In developing countries, one of the important motivational factors among faculty members is compensation related to their contribution. There, the compensation structure and the other reward system is not that fine tuned with the developed countries, where there is inadequate funding for professional development of faculty members for research and training opportunities, publication of papers, attending conferences and symposiums, sponsorship to add on new degrees and additional programs, etc. Based on the government funding or minimum budget allocation, majority of the private or public academic institutions have to manage all resources. The resultant manifestation of such scenario is high level of faculty member's attrition. Some of the past research findings support this argument, taking reference to motivational and expectation theories like Vrooms (1964), Herzberg et al. (1959) and Maslow (1943, 1970). Their findings indicate that faculty members leave the organization due to lack of effective compensation support system and reward management system. It is assumed in this research that compensation factors of academic institutions highly influence the new generation faculty members since the cost of living and cost of professional development is increasing day by

day. Hence, it is necessary to understand how far the compensation factors influence the faculty member's decision regarding 'whether to stay or leave' the institution viz., various ways of coping styles.

### **Statement of problem**

Hence, this particular study identified its topic of research as "compensation factors and coping strategies: cross study on faculty members

### **Objectives**

- i. To understand compensation factors and coping styles of faculty members in academic institutions.
- ii. To establish the relationship between compensation factors and coping styles of faculty members in academic institutions.
- iii. To analyze the influence of compensation factors and coping styles of faculty members in academic institutions.
- iv. To analysis the influence of socio-demographic factors influence in coping styles.

### **Hypothesis**

H<sub>1</sub>: There may be significant relationship between compensation factors and coping styles of faculty members in academic institutions.

H<sub>2</sub>: Compensation factors may influence coping styles of faculty members in academic institutions.

H<sub>3</sub>: Socio demographic factors may influence compensation factors and coping styles of faculty members.

## **RESEARCH METHODOLOGY**

### **Population**

The study considered faculty members from India, Bangladesh, Pakistan, Oman, Egypt, Indonesia, Philippines and Malaysia. It includes countries from Middle East and South Pacific developing region, from where lots of people are engaged as teachers in post graduate colleges and graduate colleges (expatriates). The faculty members are engaged in universities, colleges and ministry of higher education departments in their respective countries. The study includes faculty members having designations like, professors, associate professor, assistant professors, sr. lectures and lecturers.

### **Research design**

This particular study focused mainly on the compensation factors and coping styles of faculty members in universities, ministry of higher education colleges, and graduate and post graduate colleges. The nature of study is more of a fact finding. Hence, this study follows a descriptive study design as its plan of action.

**Table 1.** Sampling.

Country	Faculty		Total
	Male	Female	
India	30	15	45
Pakistan	15	05	20
Bangladesh	10	05	20
Oman	30	10	40
Egypt	10	05	15
Indonesia	10	05	15
Philippines	20	05	25
Malaysia	15	05	20
Total			200

### Sampling

This particular study focused on the coping styles of faculty members in relation to compensation factors. The study considered faculty members from India, Bangladesh, Pakistan, Oman, Egypt, Indonesia, Philippines and Malaysia (Table 1). The study concentrated more on faculty members working in ministry of higher education institutions, universities and post graduate colleges. The faculty members belong to different strata which include viz., lecturers, sr. lecturers, asst. professors, associate professors and professors. Since the proportion of faculty members vary from one stratum to another and from institution to institution, this research follows proportionate probabilistic sampling size.

### Tools of data collection

The study considers the following tools for the data collection:

- i. Questionnaire on compensation factor
- ii. Questionnaire on coping styles
- iii. Questionnaire on socio-demographic variables.

### Data collection

Data collection was done based on the two instruments specifically developed for this study. Data collection took almost eight months to get adequate representation of the sample size. Since the nature of the study was very much sensitive, the researcher assured the confidentiality of the data to all faculty members who responded. 500 faculty members were approached initially for responses out of which 260 faculty members cross checked the confidentiality of information with the researcher and finally, 200 provided the information related to the topic selected. Thus, the study considered 200 teachers from the countries selected for the study. The gender proportion was equal by considering a targeted sample size of 450 faculty member.

### Measurement of validity and reliability of coping

The study did content and construct analysis by making use of extensive literature and previously validated constructs. It establishes further the incorporation of the representativeness of the items in the questionnaire for adequate data collection. The questionnaire was pilot tested with 40 faculty members from universities and post graduate colleges all over the 8 countries nationals selected for the study (5 from each institution randomly) to arrive at the reliability of the construct. The Cronbach standardized alpha was estimated to assess the reliability of the items selected

for the study. As the relationship varied from 0.80 to 0.87, the reliability test was passed. All the 5 items in the questionnaire items have secured a reliability score above 0.60 and thus all the 5 items were considered for the study (Table 2).

The data collected was analyzed by using SPSS 19th version. The results of the study were analyzed on the basis of descriptive statistics, multiple regression and correlations. The result of the study was analyzed on the basis of descriptive statistics, correlations and regressions.

### ANALYSIS AND RESULTS

According to Table 3, all the 10 factors (F1, F2, F3, F4, F5, F6, F7, F8, F9 and F10) included in the factor analysis were found most vital in coping pattern explaining 0.200, 0.231, 0.201, 0.241, 0.219, 0.227, 0.202, 0.229, 0.291 and 0.297 of the variance respectively. Thus, all the factors are considered for further analysis.

H<sub>1</sub> indicates that "there may be significant relationship between compensation factors and coping styles of faculty members in academic institutions." Table 4 clearly indicates that positive correlation (significant at the 0.01 level) exists between 5 of the sub variables of dependent variable coping style viz., forced adjustment, seeking part time jobs, seeking abroad option, seeking funding support and resignation with 10 of the sub variables of independent variable compensation factors (salary, accommodation allowance, insurance and medical coverage, paid vacation, research sponsorship, conferences and symposiums sponsorship, yearly increments of salary, end of service benefits, opportunity to have consultancy earning, and opportunity to have training – earning). Hence, the study accepts the first hypothesis selected for the study.

The major hypothesis stated includes "compensation factors may influence coping styles of faculty members in academic institutions".

Multiple regression analysis (Table 5) was used for examining whether each coping style dimension is affected by 10 compensation factor. All regression models are significant at the 0.01 level. Here, the finding is in line with H<sub>2</sub> stated in the paper that the compensation factors may influence coping styles of faculty members in

**Table 2.** Validity and reliability of coping.

Sub variables of coping	Construct	M	$\alpha$	% of var. explained	Factor loading
Forced adjustment	Accept the reality and forcefully adjust with the compensation crisis	8.31	0.80	73.2	0.87
	Carry on with same job with less expectation and compensation				0.81
Seeking part time jobs	Seek part-time job to meet compensation crises	9.22	0.83	75.2	0.90
	Seeking extra assignments to meet the compensation crisis				0.82
Seeking abroad option	Seek opportunities in abroad which provide more compensation	7.31	0.86	76.4	0.81
	Take leave and move abroad to meet the monetary requirement				0.83
Seeking funding support	Seek funding opportunities from government	7.01	0.57	86.1	0.87
	Seek funding options from private academic and professional bodies				0.81
Resignation	Resign from the job	9.31	0.87	74.2	0.91
	Seek job opportunities from different institutions				0.92

**Table 3.** Measuring and categorizing compensation factors.

Independent variable	Sub factor	Score and value
Salary	Expect more monthly salary based on knowledge and skills	0.831
	Expect more annual income as salary to meet personal and professional	0.841
% of variance explained		0.200
Cronbach $\alpha$		0.835
Accommodation allowance	Expect a reasonable accommodation to me and my family	0.822
	Expect a reasonable house rent allowance	0.810
% of variance explained		0.231
Cronbach $\alpha$		0.816
Insurance and medical coverage	Expect better insurance coverage when work in abroad	0.836
	Expect better safety and security when one work in abroad	0.849
	Expect adequate medical coverage to me and my family members	0.841
% of variance explained		0.201
Cronbach $\alpha$		0.842
Paid vacation (holidays)	Expect paid vacation to oneself and family members annually	0.841
% of variance explained		0.241
Cronbach $\alpha$		0.841
Research sponsorship	Expect institutional support in conducting researches and projects	0.830
% of variance explained		0.219
Cronbach $\alpha$		0.835

Table 3. Contd.

Conferences and symposiums sponsorship	Expect institutional support in attending conferences and symposiums	0.811
% of variance explained		0.227
Cronbach $\alpha$		0.822
Yearly increments of salary	Expect every year reasonable increments in salary scale	0.845
% of variance explained		0.202
Cronbach $\alpha$		0.831
End of service benefits	Expect to get end service benefits like gratuity	0.844
% of variance explained		0.229
Cronbach $\alpha$		
	Opportunity to earn income through conducting consultancies in industries	0.561
Opportunity to have consultancy earning	Opportunity to earn income through conducting consultancies in government agencies	0.581
% of variance explained		0.291
Cronbach $\alpha$		0.572
	Opportunity to earn income through conducting corporate training in industries	0.590
Opportunity to have training - earning	Opportunity to earn income through conducting Faculty Development Programs	0.550
% of variance explained		0.297
Cronbach $\alpha$		0.581

academic institutions. Thus,  $H_2$  is well accepted.

### Analysis on socio demographic variables

$H_3$  stated in this paper was "the socio demographic factors may have significant influence on coping styles of faculty members in academic institutions." In order to test this hypothesis, Kruskal Wallis test was conducted (Table 6).

The analysis clearly indicates that out of 5 socio demographic variables selected for the study, only one factor viz., economic condition (0.009) highly influenced the coping style of faculty members in academic institutions.

### DISCUSSION

Major objective of the present research was to explore the relationship between compensation factors and coping styles of faculty members in academic institutions. The findings have shown positive correlation between compensation factors and coping styles of faculty members at 0.01 levels. The study substantiates many findings of past researches on the relationship between pay and retention, which have found a consistent

association between larger teacher salaries and rates of attrition (Podgursky et al., 2004; Hanushek et al., 2004; Kelly, 2004; Stockard and Lehman, 2004; Kirby et al., 1999; Gritz and Theobald, 1996; Brewer, 1996; Johnson and Birkeland, 2003; Ingersoll, 2001; Weiss, 1999; Ingersoll and Alsalam, 1997; Hall et al., 1992; Murnane et al., 1989, 1991; Rickman and Parker, 1990; Murnane and Olsen, 1989, 1990; Jacobson, 1988).

Faculty members in academic institutions are influenced by many performance and satisfaction factors. Accomplishment of many of performance factors depend closely on the financial support from institutions. Performance factors like, teaching, number of research paper published, number of conferences attended, workshops and symposiums attended, contributions to corporate development, engagement in training, consultancies and other performance evaluation variables are significantly influence the faculty members way of coping with the institutional system. Best of the academic institutions across the world encourage faculty members to engage in research, training and consultancy opportunities by giving due weightage to supportive compensation components. The compensation structure of such institutions are made up in such a manner that it supports faculty members to continuously engage in academic and professional enhancement activities. An objective

**Table 4.** Correlation between compensation factors and coping style.

Analysis Dependent variable	Independent variable: Compensation factors									
	Salary	Accommodation allowance	Insurance and medical	Paid vacation	Research sponsorship	Conference sponsorship	Yearly increments	End of service benefits	Consultancy earnings	Training earnings
Coping style										
Forced adjustment	0.310**	0.381**	0.321**	0.321**	0.345**	0.333**	0.332**	0.333**	0.321**	0.349**
Seeking Part time jobs	0.312**	0.339**	0.334**	0.345**	0.376	0.341**	0.312**	0.332**	0.333**	0.331**
Seeking abroad option	0.381**	0.321**	0.356**	0.367**	0.366**	0.334**	0.339**	0.376**	0.334**	0.333**
Seeking funding support	0.371**	0.340**	0.334**	0.371**	0.381**	0.3841**	0.381**	0.366**	0.345**	0.364**
Resignation	0.377**	0.344**	0.367**	0.378**	0.343**	0.355**	0.388**	0.367**	0.381**	0.361**

\*\*Significance at 0.01 level.

**Table 5.** Regression analysis: Compensation factor and coping style.

Dependent variable Coping style	Independent variable: Compensation factor										
	Salary	Accommodation allowance	Insurance and medical	Paid vacation	Research sponsorship	Conference sponsorship	Yearly increments	End of service benefits	Consultancy earnings	Training earnings	Adjusted R <sup>2</sup>
Forced adjustment	0.070**	0.076**	0.079**	0.070**	0.077**	0.073**	0.076**	0.079**	0.071**	0.077**	0.20
Seeking part time jobs	0.071**	0.077**	0.069**	0.079**	0.072**	0.072**	0.071**	0.078**	0.077**	0.069**	0.21
Seeking abroad option	0.079**	0.071**	0.068**	0.073**	0.072**	0.077**	0.071**	0.079**	0.079**	0.709**	0.20
Seeking funding support	0.073**	0.070**	0.081**	0.080**	0.080**	0.071**	0.080**	0.071**	0.076**	0.070**	0.23
Resignation	0.074**	0.070**	0.073**	0.077**	0.072**	0.078**	0.076**	0.070**	0.071**	0.070**	0.24

**Table 6.** Kruskal Wallis test: Socio demographic factors influence on coping.

Socio demographic factors influence on coping	H Value	DF	Significance
Economic condition and coping	3.619	4.0	0.009**
Age an coping	3.719	4.0	0.434
Marital status and coping	1.683	10.00	0.061
Year of experience and coping	3.527	1.0	0.009
Gender and coping	3.627	1.0	0.009

assessment on such variables of academic performances clearly indicates that in every realm of academic profession, some or in other way compensation element is involved. In order to

materialize many academic enhancement activities, faculty members have to invest a lot in enhancement of allied qualifications, etc. Adequate compensation factor is one of the major

factors which motivate them to engage in such academic development activities. It has been pointed by some of the researchers that 'many colleges and universities are losing their

intellectual capital as faculty members migrate to other institutions and consultancy. Budget problems and higher education funding cuts are consistently cited as the reason for the exodus,' (Gillette, 2002). Basic objective of any academic institution is to impart best of learning and development opportunities to the wards. Excellence in learning and development require continuous updation and up-gradation of knowledge and skills through research, training and development opportunities. Journey towards academic excellence is thus requiring better support from the academic institutions by providing attractive compensation and professional enhancement viabilities. Career oriented faculty members always look on the opportunities that they get from academic institutions which assure academic enhancement support facilities. The present findings on compensation factors and coping styles indicate direct clear relationship between these two variables in academic institutions. Effective coping opportunities support faculty retention in academic institutions. A strategic approach from institutional side is inevitable in order to make faculty members satisfied. Keeping the excellent faculty members require more strategic human resource management effort from the academic institutions. For many organizations, strategic staffing has become an important issue because the ability to hold on to highly talented core employees can be crucial to future survival (Ettore, 1997; Whiltner, 2001). In an effort to arrive at different ways of coping, faculty members may compare academic enhancement packages with members of existing institutions and with other institutions which offer differential packages. The unrest will be on the higher side if they observe that the compensation mode of different faculty members varied within the institution and members of outside institutions. The resultant findings of the competitive analysis provide a clear picture of why faculty members leave the organization and adopt different ways of coping. In this context, it is rightly pointed out by McCrindle (2006), Hoerr (1998) and Odden (2001), that those who enter into the teaching profession are more demanding and calculating in their working lives, offering themselves to the highest bidder and changing schools, or even professions, for the best deal.

Any non-merit-based system is unfair for exceptional teachers because they are judged on inefficient criteria. This will cause, it is argued that, talented teachers to leave the education system because excellence is not fairly rewarded. Academic and institutional excellence becomes a reality when the academic institutions making appropriate designs on compensation management which support the faculty members to get ahead their professional life improved continuously. The academic excellence of the faculty members paves ways to institutional excellence. The present findings of compensation factors influence on coping styles thus gives clear picture on significance of compensation factors effect on faculty members in academic institutions, especially in their

decision to stay back in organizations or leave the organization.

### **Compensation factor and forced adjustment**

Forced adjustment is the resultant manifestation of several factors. It has been pointed out by many researchers that many academic institutions and universities are running with inadequate research and faculty development fund. More over, the salary structure is insufficient to meet the personal needs and professional advancement. Inadequate salary and insufficient financial support lead the faculty members to engage themselves less academic enhancement activities. This forces them to be there in the same institution with less academic qualifications and low profile enhancement for a long period. Faculty members have to stay in the same institutions forcefully without having competent profile and professional advancement opportunities. Moore and Marilyn (1993), in their various study related to higher education systems and attrition trend, clearly indicates the primary reason for faculty leaving. One-third of the faculty gave salary as the reason they left. Retirement was the second most frequent reason for leaving, and professional advancement, the third. "Professional advancement" reasons included promotion in academic rank, advancement to academic administrative positions, and promotion in private sector organizations. Getting new faculty job will be difficult without having competent academic profile. In this juncture, the faculty members prefer to stay in the same institution rather than trying for new job or losing the present job. Several 'other factors' may also contribute to such situations like high competition from other faculty members, lack of good academic profile, less choice with regard to good academic institutions which support academics and compensatory enhancements, etc. Due to which faculty members can neither concentrate on their academic improvements. They are not in a position to move from the current institution to another for better professional life. The faculty member's response indicates that forced adjustment to the academic system, which does not support better remuneration and academic enhancement, is a temporary coping mechanism. As and when they get a better compensatory and academic enhancement option, they will choose new opportunity. The study observe that 'this is a period' in which the faculty members integrate various other coping styles to find out best solutions, like seeking funding options from private institutions, government bodies that support their financial need to improve their academic profile. This stage can be termed as "sit and do" stage.

### **Seeking part time jobs**

The second finding indicates that as a coping style,

faculty members prefer to seek some financial support from private and government academic bodies which support their research and academic activities. They prefer to work as part time lecturers and professors in other academic institutions with or without informing the current institutions. To enhance their profile, faculty members have to engage in many academic development programs. To meet those needs and earn extra money, they adopt coping style like seeking part time jobs. It is mentioned by the faculty members in this research that they engage themselves in academic activities through collaboration with other faculty members. They share the remuneration by undertaking combined projects and research opportunities. It is clearly indicated in Table 6 that the economic condition is well connected to their decision regarding coping styles. The socio-demographic factors also contribute their decision to take up extra assignments. This stage is called "stay and cope".

### Seeking abroad option

It has been reported by many research that in many countries, faculty members are working overtime to earn money. Moreover, with less compensation package, faculty members have to work with long hours. Many faculty members are engaged in social networking with other faculty members abroad and try to seek better compensation package and career opportunities. Those who are competent in their profile are better able to grab opportunities in universities and private institutions in abroad. Here, the faculty members make use of consultancies, relatives and friends to get information from aboard and fine tune their profile with abroad universities requirement and grab opportunities. Several abroad Universities and private institutions are working with the consultancies of reputed accredited bodies' certification. They are well guided by the compensation structure of various faculty positions, research and consultancy support and faculty development funds. There is better working environment with adequate financial support and options for all academic enhancement programs. One of the coping style faculty members adopt here in this research, which related to compensation factor, is seeking abroad options for better quality of life and professional advancement. This stage is called "do and fly".

### Seeking funding support

It has been well pointed out that research is one of the areas where the faculty members expect financial support from academic institutions in order to engage in academic development activities. Research is one of the area faculty members frequently engaged into in addition to their regular responsibility of teaching. The students should be taught in the class room well thought of

research findings by updating the existing theories. But the research activities begin only when the faculty members get adequate funding opportunities. Maruyama (1992) says that, one final way in which research begins is from the availability of research funds. Federal state funding priorities channel research in specific directions and encourage educational researchers to form partnerships to work in the desired areas. The finding clearly shows that the faculty members adopt "Seeking funding support" as one of the coping style to balance their compensatory needs and interest towards academic development. Many private and public financial institutions are existing in various countries to support research and project interest of the academicians. The coping style faculty members adopt to meet their financial need here is contacting those private and public institutions funding bodies for research and project opportunities. This stage is called "stay and seek".

### Resignations

One of the common coping styles which faculty member usually adopt is resignations. The study also pointed out this significant coping mechanism across the countries in order to cope with the compensation issues and academic advancement opportunities. Davies (2001), Oh (1996), Walker (2001) and Johnson (2005) rightly pointed out in this context that the way a teacher is employed and matched to the working environment is directly related to how they feel about the job and whether the teacher stays in the profession. A faculty decides to leave the organization based on multi facet issues rather than a single issue. As far as faculty members in academic institutions are concerned, majority satisfactory components are directly or indirectly related to the compensation factors which support their growth and development. Davies (2001), Oh (1996) and Walker (2001), in this context, further pointed out that an employee's decision to resign from a company (institution) is rarely due to a single event, such as being passed over for a promotion, a plum serve as a catalyst, but most employees leave because of multiple factors - the turnover drivers such as diminished job satisfaction, a tense work environment and better advancement opportunities elsewhere. Though many factors involved in their decision the present research finding closely knit with the monetary component as the major one. This stage is called "stop and run".

### Conclusion

This particular research tried to answer many research questions posed in the beginning of the study. The findings of the research clearly indicate that compensation factor is a major variable which influence the faculty member's decision to stay within the institution or

leave for better options. The faculty-members consider compensation as a major factor in order to get much acceptance from the academic field. The institutions that want to keep their faculty members have to develop 'compensation based human resource strategies'. A target based compensation policy may provide mutual benefit to institution as well as faculty members. With highly qualified faculty members, the institutions can obtain better visibility and image which intern helpful for accreditation and accountability. Similarly, the faculty members can improve their profile with better financial support from the academic institution. Carrying dissatisfied workforce may hamper the image of the institution. Instead, satisfied faculty members may give better appreciation and contribution more to the development of the institute. The study envisages a "balanced human resource policy", based on target oriented compensation factors, that satisfies both the institutional requirements and faculty expectations. More research in this area by including institutions from difference countries across the globe need to be explored further to generalise this findings.

## IMPLICATIONS

The findings of the present research clearly indicate that compensation factor is an important aspect that affects the faculty member's decision on ways of coping. The coping pattern very much depends on the environment and the opportunities the institutions are making provision to the faculty members. In many academic institutions, faculty members are less supported by the administration. Faculty members have to seek differential coping styles to settle themselves. If the academic institutions cannot allocate adequate budget to professional development programs of faculty members, the management have to face several consequences like; academic members – administration conflict, low level of academic-quality assurance, issues with institutional accreditation, low level academic work life balance, faculty members may migrate to corporate/ other careers, high attrition rate, dissatisfied workforce, lack of commitment from faculty members, low level loyalty, high student grievances and visibility of institution gets affected.

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