

IMPACT OF PUBLIC SECTOR COMPENSATION REFORMS ON TEACHER ATTRITION IN GHANA

Isaac Brako

Department of Political Science Education,
University of Education, Winneba, Ghana
ibrako@uew.edu.gh

Abstract

Successive governments in Ghana have pursued numerous public sector compensation reform programmes to attract and retain high calibre of trained professionals capable of rendering quality services in the public sector. Teachers in the country's public service continue to search for greener economic pastures thus raising attrition thereof. This study sought to examine the extent to which compensation influences teacher attrition and assess the impact of the phenomenon. This study adopted mixed method design. Snowballing and purposive sampling strategies were used to select 20 retired graduate teachers and 30 former teachers who have quit the service and taken up new appointments elsewhere from the Ashanti and Central regions of Ghana for qualitative data. Focus group discussions were also employed. Systematic sampling technique was used to draw 150 teachers in active service from public senior high schools in the regions to participate in the study. Questionnaire was used to elicit quantitative responses on the factors that influence their attrition intentions. Data were analysed using regression and themes. Findings of the study indicated that pay was one critical factor that influenced the attrition intentions of teachers. Based on the findings, the study among others recommended that the compensation of teachers should be improved by not only enhancing the basic pay, but also to introduce some other allowances to make the profession more attractive to stem the tide of attrition of teachers.

Keywords: *Attrition, compensation, disparities, distortion, inputs, outcomes*

Introduction

Compensation in the public sector in Ghana has been a matter of great concern to both public sector employees and governments. Governments have over the years, made several attempts to introduce an attractive compensation package for the country's public sector employees, but any time a new form of compensation regime is introduced, it triggers agitations from one or a number of labour unions in Ghana for a better deal because of distortions, disparities and anomalies such salary reforms introduce. This has resulted in the establishment of as many as seven public sector compensation review bodies in the country's sixty-three years of existence. They are Mills-Odoi Salary Review Commission, Issifu-Ali Committee, Azu-Crabbe Commission, National Committee for Wage and Salary Rationalisation, Gyamph Committee and the Fair Wages and Salaries Commission (FWASC), whose recommendations are currently in force (Republic of Ghana, 1993; Brako & Asah-Asante, 2014; Brako, 2016). In spite of the numerous efforts by governments to get this addressed, the age-long problems of distortions, disparities and anomalies continue to bedevil the compensation structure for the public sector workers and have become cyclical and endemic as one attempt made to solve the challenge leads to the introduction and retention of the same old problem. Labour unions whose members become worse affected find means to restore equity. Usually, such worse affected staff of organisations that fall victim to the debacles turn to the private sector or some other public sector organisations whose compensation package is better for solace. Teachers are, in majority of cases, among those public sector workers who quit their jobs in search of greener pastures elsewhere; and the resultant spike in teacher attrition has been alarming. Teacher deficit continues to rise in the country's educational sector. With the current shortage of teachers in most public schools, conflated with the high demand for teachers, the education sector is facing a challenge of losing those highly trained educators that are in the field (Brako, 2016).

The situation regarding teacher attrition in Ghana seems complex due to a variety of factors. It is believed that compensation is cardinal among the multiplicity of possible factors that cause teacher attrition in Ghana as earlier studies elsewhere have shown. Compensation plays a crucial role in employees' decision to stay or quit their current employment as well as in the choice of a possible future employment. The lower the salary in an employee's current organisation, the more the employee will aim to change this situation. It is also assumed that the better-paid employees within the same hierarchical level tend to stay in the organisation (Hemeberger & Sousa- Poza, 2002).

Distortions, disparities and inequities in the compensation regimes have been identified as the main cause of the intra-public sector shift and migration of personnel from the public to the private sector (Brako & Asah-Asante, 2014). The introduction of the single spine salary policy was, therefore, meant to correct this anomaly and stem the tide once and for all, as it sought to reward public servants who do equal value of work and hold equal qualifications with equal salary. With the implementation of the new salary regime however, the attrition rate, particularly of graduate teachers, continues to soar and many teachers continue to nurse the ambition to quit the service. It is more expensive to recruit and train replacements of employees who quit jobs than to retain them. This makes an investigation into the actual causes of graduate teacher attrition in Ghana in spite of the numerous studies and various commissions of enquiry extremely important. The drive and drag factors of teacher attrition need a thorough study (Brako, 2016). If low levels and disparities in compensation are the principal driving forces of attrition, how come that the phenomenon prevails even after the implementation of the single spine pay policy which sought to give equitable reward to public sector employees? What is it that teachers want in order to be satisfied and stay on the job? Are there some prevailing conditions elsewhere in the public sector which teachers are not entitled to and for which reasons they are leaving in droves? If salary levels are the same for holders of equal

qualifications who are performing equal value of work, then teacher attrition, particularly the intra-public sector shift and migration of personnel from the public to the private sector should reduce, particularly after the introduction of the single spine pay policy.

Attrition and labour turnover are two different terms which are often used interchangeably by many researchers and management practitioners to describe the exit of employees from an establishment. A certain degree of distinction exists despite the synonymous use of both terms. Attrition refers to a reduction in the size or strength of work force or a gradual reduction in labour occurring through means other than firing employees (Jha & Goswami, 2012). Turnover, on the other hand, refers to the number of times or percentage of employees who voluntarily or involuntarily leave an organisation in relation to those who stay over a period of time, generally a calendar year. Morrell, Loan-Clarke & Wilkinson (2004) have used a number of terms such as quits, exits, mobility and migration to describe employee attrition. Labour attrition occurs when there is any separation between an employer and employee. The causes of these separations may include resignations, retirements, firings and layoffs.

Employee attrition can be classified into four broad types, namely voluntary and involuntary attrition, functional and dysfunctional attrition, avoidable and unavoidable attrition as well as pull or drag and drive or push attrition. Voluntary attrition occurs when the employee concerned on their own volition quits an organization or profession through resignation or any such other means either to pursue another career opportunity elsewhere or for some other reason. It is initiated by the affected employee or occurs at their instance. All resignations which are not initiated by employers are voluntary resignations. Involuntary attrition, on the other hand, occur as a result of decisions taken by management against the employee in question. It is usually caused by factors such as incapacity of the employee, death, mandatory retirement, forced resignations, layoffs and firing, termination or dismissal for gross misconduct. This form of attrition is mostly initiated by the employer and the employee has no choice, but to comply with the decision of the employer (Casio, 2006; Mello, 2006; Iverson & Pullman, 2000; Loquercio, Harmsley & Emmens, 2006; Al Mamun & Hassan, 2017).

Attrition can be functional (beneficial) or dysfunctional (problematic) depending on organization's evaluation of the calibre of employee quitting the job. Functional attrition occurs when poor or under performers quit the job, while the organisation retains the super star or highly-skilled employees. The opposite of the functional attrition situation is dysfunctional attrition in which the best performers leave, while retaining worst performing staff. Put differently, functional attrition occurs when the departure of an employee produces positive results or benefits for the organization, especially when the employee concerned is less productive and less committed to the job and the organization. On the other hand, where the departing employee is highly productive and committed to the job and management is interested in retaining him or her, the form of attrition is dysfunctional (Casio, 2006; Mello, 2006).

Attrition can also be avoidable or unavoidable. Unavoidable or uncontrollable attrition occurs when employees quit an organisation to address family or health issues, to move to new locations, for further studies full-time or for some other reasons over which the organisation has no control. Drop from jobs by an employee to join a spouse who has been transferred to a new location, or to attend to a sick parent or spouse cannot be avoided by an organisation. There are other reasons over which an organisation has control; and they fall under avoidable or controllable attrition. They occur when an employee chooses to leave because the organisation fails to satisfy their job or career needs. Attrition resulting from poor working conditions, poor pay scales or lack of opportunities for advancement are examples of avoidable attrition (Al Mamun & Hassan, 2017; Casio, 2006; Mello, 2006; Taylor, 1998).

Attrition is also classified on the basis of the side of the employment divide where the decision is coming from, that is, whether it is arising from the employee's side or the employer's side. When the employee voluntarily leaves the job in an organization for his or her own reasons, it is labelled as drag or pull form of attrition. The reason for the departure drags or pulls the employee out of the job and the organization. On the other hand, when the employer takes the initiative to ask the employee to quit the job, the form of attrition is labelled as drive or push attrition. Attrition can therefore be caused by both drive or push factors and drag or pull factors (Casio, 2006).

Purpose and Objectives of the Study

Employee attrition in the post-single spine pay policy regime has not been adequately investigated by researchers, thus leaving a yawning gap that needs to be filled, hence this study.

The main thrust of this study was to take this discussion a step further by finding out in the Ghanaian situation the factors that cause teacher attrition. The current study sought to delve into the aspects of compensation that have been the driving force of teacher attrition in recent times. Unlike previous studies which focused mainly on the rate of teacher attrition and quantitative analysis of the phenomenon particularly in countries outside Ghana, this study sought to use a blend of quantitative and qualitative data to explain the real causes of graduate teacher attrition in Ghana. The research findings presented in this paper might contribute towards the extension of the frontiers of existing research findings. In effect, this study sought to examine the extent to which compensation influenced teacher attrition.

Literature Review on Teacher Attrition

Research has shown that an enormous number of teachers are leaving their jobs for other jobs. The phenomenon of teacher turnover and attrition was reported as a national crisis in Britain and the situation was worsening in countries such as Sweden, Germany and New Zealand. In the United States, many states recorded teacher shortages resulting from turnover. Most of the teachers who quit the job are in their early years of their entry into the profession. Cobbold (2007) described as alarming the rate at which new teachers are exiting the classroom, especially within the first three years of teaching after completion of teacher training college. Studies on new teacher attrition ranges from 20 per cent with respect to those who quit the profession in their first three years of teaching to 60 per cent, regarding those who leave within the first five years (Darling-Hammond, 1999). In the United States for example, it is estimated that 9.3 per cent of the public-school teachers leave the service in less than one year of their entry into the profession, while about fifty per cent also exit the job within the first five years of service (Rosenow, 2005; Greiner & Smith, 2006; Ingersoll, 2001). In another study in the United States, Chang (2009), discovered that the rate of teacher attrition within the first four years to be 25 per cent, while about 40 per cent leave the profession within five years of their entrance.

Rates of teacher attrition vary from one country to another. According to Brako (2016), these rate range between 2 per cent and 14 per cent per annum with the lowest being Korea and the US being the highest. Lambert further stated that the attrition rate of teachers in New Zealand as ranging from 8 per cent in 1996 to 10.4 per cent between 2001 and 2001, while the range in the US between 1988 and 1989 hovered around 8.4 per cent. Touching on Africa, Lambert indicated that the rate of teacher attrition in Namibia stood at 11 per cent in 1999. He further stated that between 2005 and 2007, the attrition rates were 2 per cent in Eritrea, 3 per cent in both the Gambia and Lesotho, 10 per cent in Liberia, 5 per cent in Malawi, 6 per cent in Uganda and 9 per cent in Zambia. Lambert identified

voluntary resignation as the single greatest reason for teacher attrition. He further noted that deaths, retirement and protracted ailment accounted for a relatively small proportion of the phenomenon.

Kwarteng (2014) and Cobbold (2015), have conducted separate studies on teacher attrition in Ghana. Kwarteng admitted that the number of teachers who quit the profession for other jobs is enormous and indicated that the challenge is even greater in the Senior High Schools. He intimated that not even the introduction of the single spine pay policy, which was the expectation of many people to stem the tide sufficed to ameliorate the situation. He attributed the exodus of teachers to factors including inadequate salaries, sinking image of the profession and lack of opportunity for promotion (Brako, 2016).

Cobbold (2015), also in his study on solving teacher shortage in Ghana, observed that successive governments have put in place various interventions to manage the problem of teacher deficit, but have not been successful. He identified the measures to include recruiting more teachers and the traditional and non-traditional modes of training, namely residential college and university training alongside sandwich and distance courses. He noted however that these interventions have also not achieved the desired results of meeting the required number of trained teachers to staff the schools.

An ocean of research has been conducted to investigate the causes and characteristics of the phenomenon and also to identify its attendant implications. Several causes of teacher attrition have been identified. Studies by Ingersoll (2001), on the issue indicates that teachers with higher degrees from prestigious schools of higher learning and those graduates with degrees in “high market-value” disciplines such as mathematics, engineering and science, mostly quit the teaching profession for other fields which are usually non-education fields in droves than their colleagues without such educational attributes. The studies further indicate that for such teachers, the opportunity cost of remaining in the classroom is higher than they are for teachers with skills and knowledge perceived to be less well-rewarding outside the teaching profession (Guaino, Santibanez, Daley & Brewer, 2004). It is also evident that some teachers quit full-time classroom teaching for jobs in fields unrelated to teaching, while some others leave the workforce all together. There are also others who remain in the classroom, but migrate to other schools (Ingersoll, 2001). Some teachers also leave the classroom temporary, in some cases to give birth and then return to the classroom after a while (Anderson & Olsen, 2005). Retirement is also cited as another reason for teacher attrition. Ingersoll (2001) in a study of teacher attrition identified job dissatisfaction as a major cause of teachers’ exit of the profession. He states that a good number of teachers leave the job altogether simply because they see no hope for change in sight. Kabungaidze and Mahlatshana (2013) in a study conducted between 2006 and 2008, noted the factors that cause Canadian teachers in Ontario to quit the profession include stress, class size, issues with school administrators and government policies.

In a study particularly on poor salary, Brewer (1996) asserted that higher wages reduce teachers’ attrition propensity. Osunde & Omoroyi, (2005) and Yusuf (2010) in separate studies concluded that low salary serves as one of the major factors that influence teachers to exit teaching for other fields whenever the opportunity comes their way to do so. Studies conducted in both England and Finland on rewards and teacher retention revealed that most teachers complained of low salary as a major factor for their decision to quit or remain in teaching (Webb *et al*, 2004). Between 2002 and 2004, more than 50 per cent of teachers who left teaching in Florida mentioned low remuneration as the principal cause for their departure (Gladis *et al*, 2007). Another factor identified as playing an influential role on teachers’ decision as to whether to stay or leave the teaching profession is age. Research indicates that the rate of teacher attrition is higher among young teachers, and it stabilizes through the mid-career period and rises again before retirement years.

Economic Determinants of Attrition

Pay is considered as a factor used by the organization to motivate employees to be in compliance with its regulations and rules (Mueller & Price, 1990). Pay satisfaction was examined to be negatively correlated with intention to leave, since it was positively correlated with job satisfaction. According to Mueller and Price (1990), economists view the employee's decision, whether they want to quit or stay, as a result of a rational cost-benefit assessment. For Mano et al. (2004) employees quit from an organization due to economic reasons. Even though compensation ranks among the top contributors to employee job satisfaction, it is unlikely that employees view it in isolation from other factors. Griffeth *et al.* (2000) noted that pay and pay-related variables have a modest effect on turnover. Their analysis also included studies that examined the relationship between pay, a person's performance and turnover. They concluded that when high performers are insufficiently rewarded, they quit. If jobs provide adequate financial incentives, it is more likely that employees will remain with the organization and vice versa. While pay and benefits alone is not a sufficient condition for a high satisfaction, it is a necessary condition for the same. This is true because employees want pay systems that they perceive as just, unambiguous, and in line with their expectations. In determining compensation levels, it is important for organisations to take into cognizance the prevailing market rates to ensure fairness and equity in compensation (Okumbe, 2001). It is often assumed that the more money an employee earns, the more satisfied they will be. Contrary to this assumption however, many studies have indicated that compensation alone will not guarantee employee satisfaction. Even highly compensated employees may be dissatisfied with their jobs, and employees with low levels of pay may still be quite satisfied with their jobs for reasons other than compensation.

Equity Theory

John Stacy Adams' Equity theory is used to guide the study. The theory is concerned with the perception's employees have about how they are treated at work as compared with other employees elsewhere. The theory is thus a model of motivation that explains how people strive for fairness and justice in social exchanges or give-and-take relationships (Armstrong, 2009, Kinicki & Kreitner, 2006). Stacy Adams argued that employees compare their inputs and outcomes with others in the job environment (DuBrin, 2007).

Inputs refer to the contributions or services employees make or render to their employers on their jobs including the amount of time expended on the job or tasks assigned to the employee, and for which they expect just returns, the number of units produced, the educational qualifications, experience, skills and efforts brought to the job. Outcomes on the other hand refer to the things the workers believe they get out of their jobs, including pay, fringe benefits, prestige, recognition, promotions, increased status, praise, and supervisor's approval among others, which the organisation provides in exchange for the employees' inputs (Miner, 2007; Gibson *et al.*, 2003; Baron & Greenberg, 1990; DuBrin, 2007)).

Equity theory states, in effect, that people will be better motivated if they are treated equitably and demotivated if they are treated inequitably. Equity theory states that people engage in the process of social comparison by comparing themselves to other people who may be their professional colleagues, friends and other people with whom they perform almost the same or similar value of tasks (Miner, 2007).

The comparison produces three results, namely overpayment inequity (positive inequity); underpayment inequity (negative inequity) and equity payment otherwise known as equitable payment (Baron & Greenberg, 1990). Overpayment or positive inequity is produced when an employee's inputs-outputs ratio is greater than that of the referent other. According to the equity theory, an employee

who perceives to be overpaid relative to the referent other will feel guilty and seek to find ways to restore equity. Among the various ways to achieve this is to increase one's inputs, ask for decreased pay or change the comparison other (Kinicki & Kreitner, 2006). There is under payment inequity if an employee's ratio of inputs and outcomes to the referent other is negative. The equity theory postulates that whenever there is underpayment or negative inequity, the worse affected employee will feel angry because he or she will feel being underpaid relative to the referent other. Ways by which employees adversely affected in the comparison can restore equity include reduction of inputs, in which case the employee fails to work as hard as he or she should, leaves the workplace early or arrives late or frequently absents himself or herself from work. Other means include changing the comparison other, ask for increase outcomes or quit the job altogether to search for a better one (Kinicki & Kreitner, 2006).

Hypothesis

The study was to test the hypothesis: H0: There is statistically no significant satisfaction effect of pay on turnover.

Pay is a major component in economic analysis of turnover. The dominant proposition in economic model is that high pay in their present employment will reduce turnover.

Methodology

Both quantitative and qualitative methods were employed in the study. Questionnaire and interviews were used to gather information from groups of subjects concurrently in the Ashanti and Central regions. The purpose of using a mixed method design was to use both quantitative and qualitative data to provide a comprehensive analysis of the research question. A secondary reason was the possibility of using the results from one instrument to confirm or corroborate findings from the other (Creswell, 2003).

The self-developed questionnaire was used to collect data from the 150 teachers in active service, while interviews were conducted for the 30 retired graduate teachers and 20 graduate teachers who had quit the teaching service to take up appointments in other establishments. The retired teachers were selected for the interview in order to find out why they chose to remain in the teaching profession until retirement. Teachers who for various reasons had quit the profession were also roped in so as to find the reasons for their exit. They were to state the variables that influenced their attrition intentions and also to suggest what factors would have retained them in the teaching job.

The population of the study comprised graduate teachers in the first and second cycle schools in the Ashanti and Central regions of Ghana, including those who for one reason or the other have left the Ghana Education Service (GES) and the teaching profession to take up appointments in other establishments such as the universities, financial institutions, media houses and the health sector among others. Graduate teachers were selected as the target group because they, unlike their non-graduate counterparts, were more attractive and had a competitive edge over their non-graduate colleagues because of the educational value they had added to their qualifications. The study is limited to the Ashanti and Central regions. Teachers in the Ashanti Region were selected because the region had the highest concentration of schools and for that matter the highest number of teachers in the country.

To determine the sample size for a regression analysis, Tabachnick and Fidel (2007) have given a formula for calculating the required sample size as $50 + 8m$, where m connotes the number of variables in the study. This is calculated as $50 + 8(10) = 130$. 20 was added to the 130 to compensate for those whose might fail to return the questionnaires, hence the sample size of 150 for the quantitative aspect. The systematic random sampling technique was used to select the 72 and 20 teachers from

senior high schools in the two regions respectively to respond to the questionnaires. Twenty-five and 15 public senior schools were selected from the two regions through the systematic random sampling technique respectively.

With regard to the qualitative data, Vanderstoep and Johnston (2009) recommended valid range of between 5 and 35 participants. This was adopted to select 20 retired teachers and 30 former teachers to participate in the interview. A combination of purposive, convenience, and snowball sampling techniques were employed to invite twenty retired graduate teachers and thirty former teachers who have left the teaching field for greener pastures. The snowball sampling strategy was particularly used to select the retired graduate teachers and those who have quit the profession for greener pastures. With this the interviewees directed the researcher to their colleagues for interview.

Results and Discussion

Economic Determinants of Attrition

To test the effects of the economic determinants on attrition, a separate regression analysis was run and the results are shown in Table 1.

Table 1: Results of the Economic Determinants of Attrition

Model B		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		Std. Error	Beta			
1	(Constant)	-3.043	.333		-9.134	.000
	EXT of pay on attrition	.656	.065	.495	10.110	.000
	EXT of external opportunities on attrition	.219	.048	.207	4.599	.000
	EXT of training on attrition	.690	.095	.371	7.298	.000
	EXT of organizational size on attrition	.077	.047	.068	1.649	.101
R = 0.883, R Square = 0.779, Adjusted R Square = 0.773, Significance = 0.000						
a. Dependent Variable: Extent of attrition						
a. Predictors: (Constant), Extent of organizational size on attrition, Extent of training on attrition, Extent of pay on attrition, Extent of external opportunities on attrition,						

Source: Field Data, 2014.

The factors are four: pay, external opportunities, training and organizational size. It is only organizational size which was not significant, thus indicating a weak influence on attrition. All the other factors were positive and significant giving an indication that they strongly influenced the attrition decisions of respondents.

Pay was positive and significant. The implication is that the higher the pay paid by organizations elsewhere, the higher the attrition intentions of the employee. This, therefore, rejects the Null Hypothesis (H₀) that pay has no significant satisfaction effect on turnover. The implication is that pay strongly influences the decision of employees to leave or stay in a job. What it means is that the respondents put premium on pay so much that, an offer of high remuneration package elsewhere will attract most of them to sever ties with their current employer and thereby, increase teacher attrition. In order to establish the extent to which variables such as pay, external opportunity, training,

organizational size, tenure, organizational commitment, psychological contract, job satisfaction, autonomy and participation influence attrition, the multiple regression results as indicated in Table 2 showed that six of them, including pay were significant.

Table 2: Results of Multiple Regression on Attrition

Dependent Variable: turnover B		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		Std. Error	Beta			
	(Constant)	-3.093	.509		-6.082	.000
	Age_2	.103	.125	.037	.825	.411
	Age_3	.423	.159	.135	2.653	.009
	Age_4	-.146	.222	-.027	-.658	.512
	Prof_Dip	.546	.188	.097	2.900	.004
	Prof_Bed	.045	.124	.012	.362	.718
	Prof_PGd	-.134	.124	-.037	-1.083	.281
	Prof_MED	.070	.199	.012	.353	.725
	Mar_sing	.488	.370	.164	1.319	.190
	Mar_marr	.342	.367	.117	.933	.353
	Pay_2	.036	.138	.011	.263	.793
	Pay_3	.357	.216	.072	1.657	.100
	EXT of P on atr	.772	.054	.582	14.216	.000
	EXT of EXT on atr	.110	.039	.104	2.810	.006
	EXT of TRG on atr	.384	.081	.206	4.745	.000
	EXT of on ORG atr	.080	.039	.070	2.039	.044
	EXT of TEN on atr	.278	.056	.200	4.973	.000
	EXT of CMTon atr	-.892	.122	-.699	-7.329	.000
	EXT of PSC on atr	.062	.043	.053	1.451	.149
	EXT of JSF on atr	-.023	.050	-.015	-.458	.648
	EXT of JSC on atr	.762	.124	.586	6.150	.000
	EXT of AUT on atr	.046	.042	.042	1.090	.278
	EXT of PTP on atr	-.059	.044	-.055	-1.352	.179

R Square =0.892 and Adjusted R Square = 0.871

Source: Field Data, 2014.

This study was also guided by a research hypothesis which stated that pay had statistically no significant influence on attrition decisions. The hypotheses were tested using the multiple regression. As revealed in Table 2, six out of the ten variables were positive and significant. With beta of 0.582, pay was significant at 0.01%. This means that pay is considered as one of the critical factors' respondents consider in their decision to quit or remain in employment. Thus, pay significantly influences attrition decision, hence we reject the null hypothesis (H0) that pay has no significant effect on attrition. Pay is a major component in economic analysis of turnover. The implication is that the higher the pay paid elsewhere the higher the attrition intentions of the employees. No man works for free. Every employee expects payment in return for the efforts made on the job he or she does. The ability of the employee to maintain oneself hinges heavily on their emolument they receive from the employer as a reward for the physical and mental effort they exert on the job. For a significant number of them

pay comes tops of the numerous variables, hence its significant value in the results. This, therefore, means that employees will look for employers who reward employers with higher pay and quit those who offer low compensation to their employees. The result above lends credence to statements made by two interviewees who have left teaching for greener financial pastures in other establishments. A 52-year-old male employee with a financial institution remarked:

“... For me, salary is the sole criterion for the determination of attrition decision. The people in the society must recognise that you are in employment and you are rewarded for the services that you render. If you work and at the end of the day your take home pay cannot actually take you home, then what is it? I work to get paid and the pay must be respectable and handsome.” (Fieldwork, 2014).

Another respondent, a 39-year-old female former graduate teacher had this to say in response to a question on how pay influenced her decision to quit former job:

“... I quit teaching because the remuneration was not considered adequate. After toiling to acquire higher academic qualifications, I expected that I would be rewarded appropriately by my employers, just as my counterparts in other establishments with similar qualifications were handsomely rewarded with a remuneration package, which I considered to be far better than what I was getting so, I decided to quit and join them. Where I am now, I am satisfied with my salary. I can take care of myself and my family.” (Fieldwork, 2014).

The premium placed on pay as the determinant of employees' decision to quit or stay in employment in the Ghanaian context is as a result of a number of factors. One of them is the economic condition of the country. The austerity life led by many salary earners resulting from the escalation of prices of goods and services almost on a daily basis makes money the most sought for commodity in the country. Also, money has become the barometer for determining the social status of a person by the society. In the Ghanaian society in recent times, respect is accorded to the rich more than any other category of persons. Besides, the social system and the extended family system, coupled with the high unemployment, put excessive demands on the resources of the employed. It is believed that the employed had access to an infinite resource from which they can support their less fortunate relations, hence the demands on them. These factors make teachers lead a kind of nomadic life with many of them looking for alternative job opportunities that give higher remuneration.

Stacy Adams equity theory used to guide the study confirms the position that compensation is paramount as far as the decision of the employee to quit or stay on a job. As an employee compares his or her inputs-outcomes ratio in relation to that of another employee in other establishments to find out whether they are being under paid or otherwise. Salary is crucial in the inputs component and plays a significant role in the social comparison. If it turns out that the employee doing the comparison is under rewarded, means is found to restore equity. One potent option in the case of the under rewarded employee is quitting the job.

The findings of Mampane coincides with studies undertaken by Osunde and Omoroyi, (2005) as well as Yusuf (2010), which concluded that low salary is one of the principal factors that influences teachers to leave the teaching profession in search of other jobs. Other studies conducted in both England and Finland on rewards and teacher retention showed similar results as most teachers complained of low salary as a major factor for their decision to stay or remain in teaching (Webb *et al*, 2004). More than 50 per cent of teachers who left the teaching field in Florida between 2002 and

2004, mentioned poor remuneration as the principal cause for their exit. (Gladys *et al*, 2007). The findings of the above studies are consistent with that of the current study which indicates that pay or compensation on plays a significant role as the cost-benefit analysis is carried out by employees who participated in the survey.

Numerous studies have shown that in most African countries, teachers receive less than three dollars a day. Because of this, many of them are unable to meet their basic needs of life, and in their attempt to sustain themselves some of them engage in moonlighting or take on other jobs alongside the teaching (Paul, 2004; Paul & Kwame, 2007; Davidson, 2007; Osei, 2006; Wushishi, Foori, Basri & Baki, 2013). According to Mampane (2012), in South Africa, as many as 20 000 teachers quit the job annually. He stated that between 2005 and 2008, a period of three years, as many as 24,700 teachers left the profession. The country could turn out only 8, 000 teachers annually. According to him, many of the migrating teachers are poached by overseas recruitment organizations with promises of better working conditions and in particular salaries. Mampane also identified factors such as the availability of other higher paying jobs, organizational culture and higher reward system as responsible for the development. The case in South Africa is not different from those in some other countries in the continent. Cobbold and Asamani (2015) report that numerous studies in Ghana point to a high degree of teacher attrition in the country. There are as many as 10, 000 teachers who exit the service every year for various reasons (Daily Graphic, 2010; Asamani, Cobbold & Dai-Kosi, 2015). The country's 38 colleges of education can turn out only 9 000 teachers in a year, thus creating a shortfall of 1, 000 teachers per year. In the year 2012, the Ghana Education Service (GES) reported that the country had a 60, 000-teacher deficit at the basic level of education alone with the over 80 000 pupil teachers filling the classroom as a stop gap measure (Ghanaian Chronicle, 2012). Cobbold and Asamani found that teachers in Ghana constantly agitate for increased remuneration and improved conditions of service. These are enough evidence to show that low salaries and poor conditions of service for teachers have contributed to the low morale and high teacher attrition in Ghana. This condition compels most teachers to take on multiple jobs, which in turn greatly affects the quality of teaching. As the working conditions of teachers fall, the number of teachers leaving the classroom for greener pastures increases (GNAT & TEWU, 2009).

The position is confirmed by this study as pay showed a significant result in the multiple regression test. For a significant number of the respondents, pay comes top of all the variables in the test. It also reflects the position shared by two respondents interviewed, Manu, a 52-year-old retired teacher and Rosemary, a 39-year-old former teacher. The two emphasised the premium they and several others place on pay as a major determinant of employees' decision to quit or stay on a job.

Conclusion

The economic determinants of an employee include pay, training and company size. Pay as one of the economic determinants of an employee is considered as a factor used by organizations to motivate employees to be in compliance with its regulations and rules (Mueller and Price, 1990). According to the researchers, the view of economists is that the decision by an employee to quit or stay on a job is the result of a rational cost-benefit assessment. For Mano *et al*. (2004) employees decide to quit from an organization for economic reasons. Even though compensation ranks among the top contributors to employee job satisfaction, it is unlikely that employees view it in isolation from other factors. Griffeth *et al*. (2000) established that pay and pay-related variables have a modest effect on attrition. The researchers concluded that when high performers are not sufficiently rewarded, they quit the employment. The finding confirms the Equity theory, which underpinned the study. The Equity theory states that employees do a social comparison analysis and if they find that the

ratio of their inputs and outcomes are less than that of the referent other, they resort to other means, including quitting the job to restore equity. The social exchange theory states that as rational beings, employees seek to maximise the profits or benefits to be gained in the social exchange situations. In the social exchange situation, employees consider their qualifications acquired through training and experience and other factors in relation to the pay they receive from their current employment and compare to conditions that prevail elsewhere in arriving at a decision either to quit or stay in an establishment. The central arguments made in all the above theories are reemphasised by the equity theory. The theory argues that the attrition intentions of employees are mostly influenced by results produced by their social comparison analysis. That is, if an employee perceives his inputs-outcomes ratio is lower than the referent other in the social comparison, they resort to finding means of restoring equity and one of the means of achieving this goal is to quit the job for another that gives better conditions of service.

The assertions made in the above theories can be summarised that better or attractive emolument is one cardinal factor that influences employee's intention to quit a particular job for another. Employees mostly look for jobs that offer greener economic pastures so as they accept one employment opportunity, they begin to fish for other opportunities that offer higher or better rewards than their current employment and when they find one, they quit. The study therefore supports the assertion that the incentive of higher pay is a key determinant of the attrition intentions of employees. The finding confirms the Equity theory. Equity theory states that employees do a social comparison analysis and if they find that the ratio of their inputs and outcomes are less than that of the referent other, they resort to other means, including quitting the job to restore equity. The study thus, confirms the predictions of attrition theory.

Recommendations

Evidence from the study indicated that enhanced compensation package was a factor that would motivate teachers to remain with the teaching profession. For most of them, teaching is their preferred profession. The teachers have great interest in their chosen profession, but the unattractive nature of the emolument is one major factor that motivate s some of them to quit the job. For most of the teachers who responded to the questionnaire and participated in the interview, the low salary and absence of allowances earned by employees in other sectors of the public service are the major challenges that confront them in the teaching service.

The study revealed that many of the teachers in the field prefer the profession and are committed to it however, the unattractive nature of the remuneration package influences their intention to quit in search of greener pastures that exist elsewhere which are not available to teachers. Per the implementation of the single spine salary structure (SSSS), salary levels of all public sector workers are determined at certain agreed upon levels so, nothing can be done to effect any serious changes in the salary levels exclusively for teachers. Such an attempt will create further distortions in the single spine salary structure (SSSS) as it became of the Ghana Universal Salary Structure (GUSS) when health workers were lifted from it and were given an exclusive salary structure. It is, therefore, recommended that the government should introduce some form of allowances such as book and professional allowances which should be based on percentages of teachers' basic salary to cushion them against the hardships and also enhance their compensation package so as to retain a high percentage of good teachers in the classroom. The restoration of leave claims, meals and rent subsidies which were enjoyed by teachers until it was scrapped with the implementation of the Ghana Universal Salary Structure (GUSS) will in this regard be a welcoming relief to the teacher. Some public servants still enjoy these claims so one wonders why those of teachers were withdrawn.

Besides, the introduction of out of station and night subsistence allowances for teachers whose work take them outside their place of work will help. When teachers attend workshops to improve upon and sharpen their professional skills, they are made to lodge in classrooms at the mercy of the weather and mosquitoes with no hotel allowances paid them. Other public servants enjoy these allowances. This flagrant discrimination against teachers has the potential of influencing teacher attrition. Dysfunctional attrition, that is, the exit of highly qualified and well-trained graduate teachers has a negative impact on the quality of tuition and performance of students and candidates both in school and in external examinations.

The disparities and distortions that have bedevilled compensation regimes in Ghana since time immemorial still find space in the single spine salary reform programme. The inherent inequity that characterises the current salary regime, just like all the previous ones, is one reason for the continuous attrition of teachers in search for alternative job opportunities within and outside the public sector. Based on this, the study suggests that a new pay regime be introduced to properly provide equitable compensation to all public sector workers without discrimination. The implementation of the single spine pay policy was done with some motive to reward a section of the public sector workers with particular reference to the police personnel, but for others, including teachers, no such consideration was given. This has made teachers' worse off and many of them feel that the new pay regime does not favour them as it does for other public sector workers, hence the search for jobs in other sectors where they think the pasture is green.

The findings and recommendations of the study offer useful and practical explanations to the real causes of teacher attrition in the post-single spine pay reform regime in the country. The current study has gone one-step beyond these previous studies by finding out how the various compensation reforms undertaken in the public sector in Ghana have impacted on teachers, particularly with regard to attrition. Secondly, the study has attempted to approach the issue in a more holistic way by seeking the views of not only teachers in active service, but also those who have quit the profession and those who, in spite of the so-called poor conditions of service, chose to remain with the profession until retirement.

It is significant to report that the study reinforces the prediction of the main theory--Stacy Adams' equity theory, which states that if workers after doing social comparison find out that there is underpayment inequity to their disfavour, they find means to restore equity. One of such means is attrition. This is resorted to by people who feel strongly about the inequity and they find more juicy opportunities to be existing elsewhere. In the case of the graduate teachers, after comparing their qualifications and how much they earn to their colleagues elsewhere, they realise that there is a huge difference, hence their decisions to quit the profession.

The study is important in two ways: First, it sought the views of the key players in the education sector-- teachers. It investigated the factors that influence teacher attrition. Secondly, the study sought to establish the factors that retain them in the profession. For these reasons, the findings of this study are useful and practical to explaining public sector reforms in general and compensation reforms in Ghana in particular. The study elucidated the direct and indirect or attendant causal effects of implementing a compensation regime that distributes rewards in an inequitable manner in the public sector. This is of value to literature that aims at theorising about the strength and predictability of factors affecting public sector compensation reform and its impact on employee behaviour regarding attrition or retention as well as policy implementation in general.



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