

Remuneration and Staff Retention in Private Secondary Schools in Mbale Municipality, Uganda

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Abstract

The study examined the relationship between remuneration and staff retention. Specifically, it sought to examine the relationship between monthly salary, allowances and staff fringe benefits and staff retention in private secondary schools in Mbale Municipality. A cross-sectional survey design was adopted with both quantitative and qualitative approaches. A target population of 400 and a sample size of 216 with 190 teachers, 13 head teachers and 13 school proprietors selected through stratified proportionate random sampling (teachers) and census inquiry (head teachers and school proprietors) techniques were used. Data was collected through a closed-ended questionnaire and interview guide and analysed using descriptive statistics in terms of frequencies and percentages and Pearson product-moment correlation analysis. Qualitative data was analysed through thematic and content analysis. The study revealed a strong positive significant relationship between monthly salary and staff retention ($r = .540, n = 190, p < 0.05$), allowances and staff retention ($r = .579, n=190, p < 0.05$) and staff fringe benefits and staff retention ($r = .540, n=190, p < 0.05$). All the three null hypotheses were rejected. It is being concluded that a strong perception of remuneration is directly related to staff retention as staff believe in being remunerated to work and after work. The study recommends that teachers' salaries be paid timely, school authorities should develop a sound policy mechanism on allowances and they should cater for medical bills, and advocate for NSSF benefits and accommodation to improve on retention of their staff.

Keywords: remuneration, salary, allowance, fringe benefit, staff retention

For any institution of academic learning targeting to achieve set objectives, remuneration of staffs plays a pivotal role in retaining, building and maintaining teamwork among staff to ensure workforce stability and high standard of performance. For this to be possible however, staff retention

becomes a precursor. Singh and Varsha (2014) argue that staff retention is an essential practice which helps institutions to establish and create an environment that supports and encourage workers to remain working in the same institution. Human resource workers therefore argue that retaining current staff is cheaper than looking for new talented and experienced ones. The aspect of staff retention has received considerable attention by senior human resource personnel and institutional managers across the world. It has proved to be one of the most widely expensive and seemingly attractable human resource challenges confronting educational institutions world over, more so private secondary schools. Jacobs and Johan (1994) argue that remuneration of workers is perhaps one of the most outstanding motivating factors in modern society as it greatly affects positively the satisfaction of workers' needs and expectations. It plays an integral part in the supply and demand situation of human resources and productivity of labour.

Whether in the developing or developed countries, the challenge for most institutions is how best they can retain their staff for a long period of time. Goswami and Jha (2012) argue that loss of staff at work level has been seen as a negative outcome throughout the entire performance of any institution, and therefore has a long-term impact on the collapse of the institution. However, there are clear policies and practices such as remuneration which institutions may use to retain or stop their talented workers from leaving the institutions. Ingersoll's (2003) report shows that about 15.7% of teachers leave their profession annually in the United States of America. In an earlier submission, Ingersoll (2001) mentioned that the national teacher turnover rate is about 16.8% and 40% of those that leave and do not come back to the same profession, while Henke, Zahn and Carroll (2001) found that the high turnover rate of teachers in the USA costs the education system about \$7 billion annually.

The condition is not so different in African countries like in the case of Nigeria, where the turnover rate is estimated to be above 10%. In Ghana, teacher turnover and retention system in the education sector has become a matter of great concern. Further still, the high rate of staff turnover impacts negatively on schools' improvement efforts as it disrupts the stability and continuity of teaching. Reports in countries like Guinea, Malawi, Zambia, and South Africa designate that the problem of teacher turnover had almost reached the point of devastation, meaning that the situation had become unbearable and uncontrollable. It is important to note that in Malawi alone, out of 22500 trained secondary school teachers annually, 1225 moved away from the teaching profession and joined other professions such as banking, business, and local services (Mgomezulu, 2014), thus the percentage rate of those teachers who quitted the teaching profession was estimated at 19%.

Meanwhile, the study by Ting (2010) revealed that 50% of workers were found to change job responsibilities and that only 55% of the workforce was involved in their jobs. He argues that institutions must have reasonable

remuneration policies, not just targeting only pay benefits but a system must be in place to make the institutions attractive to the high level of performance. Thus, institutions that have competitive remuneration packages can easily have sustainable competitive gains because of lower turnover, more engaged workers, and higher revenues through engaged staff.

According to Waititu (2013), the issue of staff retention is a serious problem for all categories of institutions and so far less research study effort has gone far in understanding what exactly influence it in private secondary schools, though investigations on staff retention began some time back in the 19th century when industrial operators and psychologists endeavoured to get the main reasons behind workers' levels of commitment in various employment opportunities.

According to Uganda National Teachers' Union – UNATU (2010), teachers are hardly accommodated and have continued receiving low salaries throughout their entire work life with no additional benefits. Low payments have made them lose interest in work and to not concentrate as they are forced to look for other juicy jobs elsewhere, thus leading to staff turnover in the country. In Ugandan secondary schools, the rate of staff turnover in private secondary schools especially in Eastern Uganda is high, ranging from 13% and above according to the UN-Habitat Mbale urban profile (2011). The researchers opine that private owned secondary schools have to contend with their teachers' always looking for opportunities to join the public service though no empirical study effort had been carried out to identify the problem of staff retention.

Problem Statement and Research Hypotheses

Ideally, teachers determine the credibility of an educational institution no matter the level. Keeping the best teachers does not only sustain trust in the school but also enrolment as some parents entrust schools with their children courtesy of some particular teachers. Nevertheless, in Mbale Municipality, schools are finding it hard to hold on to their teachers for a long time just as other fields are struggling (District education sector report Mbale District, 2013). According to a report given by United Nations Human Settlements Program, UN-habitat (2011) Mbale urban profile, it is argued that Mbale town is experiencing inadequate basic service provision such as poor education service, poor sanitation, poor water supply, poor health service and many others due to inadequate or un predictable financial resources. As a result, schools have tried to offer their staff better packages in form of remuneration to keep them motivated by improving salary, giving allowances and fringe benefits within the financial ability of the respective schools, but nothing has changed in terms of staff retention. This raised concern on the part of the researchers as to the nature of relationship that exists between remuneration and staff retention as prima facie and prompted the study to examine this relationship guided by three specific objectives which are in tandem with three specific hypotheses thus:

Ho₁. There is no statistically significant relationship between monthly salary and staff retention in private secondary schools in Mbale Municipality.

Ho₂. There is no statistically significant relationship between allowances and staff retention in private secondary schools in Mbale Municipality.

Ho₃. There is no statistically significant relationship between staff fringe benefits and staff retention in private secondary schools in Mbale Municipality.

Literature Review

Literature on monthly salary and staff retention is can be encountered, Kirochi (2015) argues that there is a consistent association between larger teacher salaries and lower rates of attrition a view equally shared by Kelly (2004) but adds that such teachers with low salary become socially disadvantaged leading to frustration. It is thus safe to say that institutions with low pay are likely to lose most of their employees to direct competitors. That is why staff turnover is inevitable in institutions whose remuneration schemes are poor. An effective remuneration system is related with retention of crème staffs. Relatedly, Torrington, Laura and Taylor (2008) argue that a staff will be willing to stay in a job where remuneration has been set at a right level, to which Makhuzeni and Barkhuizen (2015) add that teachers who are poorly remunerated and underpaid tend to quit early. To this end, Rothstein (2015) showed that teacher tenure can only be extended by large increase in salaries while Kumar (2013) agrees that as an initiative to retain talented workers, institutions are now going towards increasing employees' salary. In a nutshell, it can be contended that pay competence has the power to attract, retain and motivate individuals towards higher performance and intention to stay on the job.

Allowances and staff retention have been subject to a number of studies, while Shives (2007) suggested that financial allowance can stimulate productivity of workers, it is profit sharing bonuses that get employees willing to stay and work diligently (Kelly, 2004). Indeed, Aguenza and Som (2012) argue that most of the workers stay in their workplace, if they get motivated with tools such as allowances. The researchers also posit that non-cash promoters may be more effective in the longer term than financial incentives and Aguenza and Som (2012) agree by positing that allowance is not the long-term answer in keeping high skilled workers. Nevertheless, in today's economic times, financial remuneration remains the primary incentive causing workers to remain in an institution. That is why Richard (2016) crowns it all by challenging schools to offer extra pay such as allowances, bonus and commission, purposely to keep the valuable staff not going away from these schools.

An exploration of literature on fringe benefits and staff retention indicates that working benefits are the most critical factor in not only attracting but also retaining the talent. The view is equally shared by Bennet (2015) who argues that fringe benefits like health insurance, dental insurance, life insurance, pension / retirement plan, staff car / vehicle, sick leave, holidays, housing and

disability insurance are very important in influencing staff retention but warns that this could be relative. Asgari, Farahami and Woodbury (2012) had already added a new dimension that fringe benefits can act as noteworthy substitute for salaries since workers can have high tendencies for them thus calling on employers who may choose to offer fringe benefits indeed, workers are willing to exchange salaries for benefits. Also, Osibanjo, Adenij, Falola and Heirsmac (2014) argue that indirect compensation such as medical benefits, vehicle loan benefits, staff houses, meals, car basic benefit and annual leave benefit improves staff satisfaction. Horton (2016) concludes this by stating that instead of competing against a fellow employer in terms of salary levels, institutions can expand their fringe benefits due to the changing needs and demands of workers. In conclusion, empirical evidence based on the literature reviewed clearly indicated that monthly salary, allowance and staff fringe benefits obtain in staff retention. However, many of the studies reviewed in this study at both national and local levels were found to have contextual, methodological and content gaps that provided a clear justification for the researchers to study the issue from a private school and field setting.

Methodology

The study was carried out using a cross-sectional survey design with both quantitative and qualitative approaches to examine the relationship between remuneration and staff retention in private secondary schools. The qualitative approach was intended to obtain in-depth analysis of respondents' views in order to complement the quantitative findings. The target population comprised of 400 people with 13 school proprietors, 13 head teachers and 374 teachers selected from 13 schools out of 18 schools. A sample size of 216 respondents with 190 teachers selected using Krejcie and Morgan's (1970) Table of sample size determination was adopted for the study. Both census (proprietors and head teachers) and stratified (proportionate) random sampling technique (teachers) were used to select the sample. A 5-item and four sectioned closed-ended questionnaires based on a Likert scale ranging from strongly disagree, disagree, undecided, agree to strongly agree was used in collection of data which was administered on teachers, and an interview guide on school proprietors and head teachers. The instrument was subjected to independent expert judgment and pilot tested. The questionnaire was tested to be fit to collect data for the study since its validity (.974) and reliability (Cronbach's Alpha = .915) were appropriate as determined by Kothari (2004) and Neil (2010). Pearson's product-moment correlation analysis was used to establish the relationship between elements of the independent variable (remuneration) on the dependent variable (staff retention) by testing the hypotheses. Qualitative data was transcribed verbatim, analysed using the thematic and content analysis method and triangulated with quantitative data based on objectives. The researchers upheld the ethical values of informed consent, confidentiality, anonymity and respect of rights by explaining the purpose of the study to respondents, seeking informed consent, using third party in decision making

contexts, non-disclosure of identity and allowing respondents to choose places deemed convenient to them for interviews.

Findings and Discussion

Demographic Characteristics

The findings of the study are presented in line with the key objectives that underpinned the study. The same findings were first reduced to descriptive format by way of frequencies and percentages and later transformed into inferential data by way of correlation. Notably, key themes in qualitative information were summarized and presented to bolster quantitative data. Equally, the study sought to ascertain the demographic characteristics of respondents that participated in the study with regard to sex, level of education, period of service spent, designation, appointment status and positional experience. Findings in line with demographic characteristics indicate that in terms of sex, 122 (64.2%) were male while female respondents were 68 (37.8%). Meanwhile, 7 (3.7%) of the respondents had “A” level certificate, 89 (46.8%) had diplomas, 83 (43.7%) and 11 (5.8%) were degree holders. Also, teachers who had served for 2-4 years were 85 (44.7%) followed by those below 2 years, 52 (27.4%), 5-9 years were 35 (18.4%) while 10 years and above were 18 (9.5%). Regarding designation, classroom teachers were 95 (50%), followed by heads of department 57(30%), followed by directors of studies 28 (14.7%) and deputy head teachers, 10 (5.3%). In terms of status, 63(33.2%) respondents were employed on full time basis, 93 (48.9%), 31 (16.6%) served under contract basis while 3 (1.6%) served as casual workers. Meanwhile, as per positional experience, 118 (62.1%) were senior staff, while 70 (36.8%) were junior staff. According to Kothari (2006), demographic characteristics point at the respondent’s suitability in responding to the questions on variables under study.

Staff Retention in Private Secondary Schools in Mbale Municipality

The findings in relation to staff retention indicate that 61 (32.1%) of the respondents strongly disagreed or disagreed, 21(11.1%) were undecided, whereas 108 (56.9%) strongly agreed or agreed that the rate of staff turnover is low. Also, 48 (25.3%) of the respondents strongly disagreed or disagreed, 41 (21.6%) were undecided, whereas 101 (53.1%) strongly agreed or agreed that there is recruitment of new teachers every year. Meanwhile, 54 (28.4%) of the respondents strongly disagreed or disagreed, 26 (13.7%) were undecided, whereas 110 (57.9%) strongly agreed or agreed that schools give out appointment letters to staff. Notably, 58 (30.5%) of the respondents strongly disagreed or disagreed, 27 (14.2%) were undecided, whereas 105 (55.2%) strongly agreed or agreed that teachers take long before leaving or transferring to other schools. In another response, 23 (12.1%) of the respondents strongly disagreed or agreed, 28 (14.7%) were undecided, whereas 139 (73.1%) strongly agreed or agreed that most staff are qualified and experienced at work place. And lastly, 65 (34.2%) of the respondents strongly disagreed or disagreed, 34 (17.2%) were undecided, whereas 87 (47.9%) strongly agreed or agreed that

teachers do not quit the profession. The implication is that schools find a hard time retaining staff and find themselves having to recruit fresh teachers every year.

As per the qualitative information obtained from interviews, the key themes brought out the following. On appointment letters, one proprietor had this to say: *“This school provides appointment letters on contract basis to all our workers and it is subjected to renewal annually”*. As per teachers staying long in schools, one of the proprietors stated: *“In this school, we have a teacher who has taken 10 years in service and he has been nick named the Head master of the school”*. And regarding qualification of teachers, one of the head teachers argued that: *“Most of our colleagues in this school are qualified and their qualification range from diplomas, degrees and masters”*

Relationship between Monthly Salary and Staff Retention

The findings in line with salary for teachers in the sampled schools were to the effect that 98 (51.5 %) of the respondents strongly disagreed or disagreed, 15 (7.9%) were undecided, while 77 (40.5%) strongly agreed or agreed that the salary they get is adequate. In another response, 61 (32.1%) of the respondents strongly disagreed or disagreed, 28 (14.7%) were undecided, and 101 (58.4%) strongly agreed or agreed that the salary teachers earn motivates them to stay and work. Also, 61 (32.1%) of the respondents strongly disagreed or disagreed, 25 (13.2%) were undecided, whereas 104 (54.7%) strongly agreed or agreed that the salary teachers earn in private secondary schools is prompt. Meanwhile, 44 (28.4%) of the respondents strongly disagreed or disagreed, 22 (11.6%) were undecided, whereas 114 (60%) strongly agreed or agreed that there is regular payment of salary. In another setting, 50 (26.3%) of the respondents strongly disagreed or disagreed, 26 (13.7%) were undecided, while 114 (60%) strongly agreed or agreed that there is salary increment to teachers. Tellingly, 85 (44%) of the respondents strongly disagreed or disagreed, 26 (13.7%) were undecided, and 79 (41.6%) strongly agreed or agreed that the salary the teachers earn could sustain them. Equally, 62 (32.2%) of the respondents strongly disagreed or disagreed, 20 (10.5%) were undecided, whereas 108 (56.8%) strongly agreed or agreed that there is basic and net pay of salary payment that could make teachers. Notably though, 33 (22.6%) respondents strongly disagreed or disagreed, 19 (10.0%) were undecided, whereas 128 (66.9) strongly agreed or agreed that there are salary payments basing on Job position and qualification. Also, 73 (38.4%) of the respondents strongly disagreed or disagreed, 31 (16.3%) were undecided, while 86 (45.1%) strongly agreed or agreed that there are salary adjustments. In their last submission, 76 (40.0%) of the respondents strongly disagreed or disagreed, 30 (15%) were undecided, whereas 84 (44.2%) strongly agreed or agreed that schools have remuneration policies which are revised every year.

The researchers computed the correlation between Monthly Salary and Staff retention in private secondary schools in Mbale Municipality. The results of the correlation are presented in Table 1.

Table 1
Pearson Correlation Coefficient Index between Monthly Salary and Staff Retention

Variables		Monthly Salary	Staff Retention
Monthly Salary	Pearson Correlation	1	.540**
	Sig. (2-tailed)		.000
	N	190	190
Staff Retention	Pearson Correlation	.540**	1
	Sig. (2-tailed)	.000	
	N	190	190

** . Correlation is significant at the 0.01 level (2-tailed).

Pearson correlation index in Table 1 revealed that there is a strong positive relationship between monthly salary and staff retention in private secondary schools in Mbale Municipality, which is indicated by the correlation value of ($r = .540, n = 190, p < 0.05$). The null hypothesis earlier on set was rejected and the alternative hypothesis was accepted that there is a statistically significant relationship between monthly salary and staff retention in private secondary schools in Mbale Municipality. This finding is in line with that of Van Zyl (2000), who argues that many workers still count money as the main motivational tool for staff. The author argued that money is always a great retention tool from the start of the job in any field of work up to the end.

Qualitative information from interviews brought the following highlights. On adequacy of salary, one of the head teachers had this to say: *“Much as ten private schools give out meagre salary, three schools seem to be giving out what it calls salaries for the good of their teachers in Mbale”*. Regarding the salary being motivational, one of the head teachers said: *“Monthly pay in terms of salary can attract teachers in the front door, but something else should keep them going out of the back door. Teachers need to be appreciated in order to be proud of their work and be retained”*. On promptness of salary, one of the head teachers interviewed argued: *“If schools are to have suitable and capable staff for the good of development, retention of workers should be backed by prompt payments”*. Regarding regularity of salary payment, a head teacher of one private secondary school stated: *“In many occasions, we work under the influence of business-oriented gentlemen, who may not aim at giving services to the country but maximizing the profits which leads to irregularities of salary in our schools.”*

Relationship between Allowances and Staff Retention

Descriptive findings in tandem with allowances dished out to teachers, 57 (30.0%) respondents strongly disagreed or disagreed, 20 (10.5%) respondents were undecided, whereas 113 (59.5%) strongly agreed or agreed that schools provide marking allowances to the teachers who normally submit

mark sheets to the administration. Also, 96 (50.5%) of the respondents strongly disagreed or disagreed, 27 (14.2%) were undecided, whereas 67 (35.3%) agreed that private secondary schools provide sitting allowances to the teachers. Equally, 25 (13.2%) of the respondents strongly disagreed or disagreed, 16 (8.4%) were undecided, whereas 149 (78.4%) strongly agreed or agreed that schools provide extra lesson allowances to the teachers. Also, 56 (29.5%) of the respondents strongly disagreed or disagreed, 17 (8.9%) were undecided, whereas 117 (61.6%) strongly agreed or agreed that schools provide transport allowances to the teachers. Meanwhile, 43 (22.6%) of the respondents strongly disagreed or disagree, 24 (12.6%) were undecided, whereas 123 (63.3%) strongly agreed or agreed that schools provide departmental allowances. In another response, 49 (25.8%) of the respondents strongly disagreed or disagreed, 29 (15.3%) were undecided, whereas 112 (58.9%) strongly agreed or agreed that schools provide facilitation allowances to teachers. Also, 41 (21.6%) of the respondents strongly disagreed or disagreed, 17 (8.9%) were undecided, whereas 132 (69.5%) strongly agreed or agreed that schools provide participatory allowance to teachers at the end of the co-curricular activities. Meanwhile, 97 (51.1%) of the respondents strongly disagreed or disagreed, 33 (17.4%) were undecided, whereas 60 (31.6%) strongly agreed or agreed that schools give out Parents-Teachers' Association allowances to teachers. Notably, 45 (23.7%) of the respondents strongly disagreed or disagreed, 21(11.1%) were undecided, while 124 (65.3) strongly agreed or agreed that private secondary schools give out performance allowances to teachers. In the last response, 91(47.9%) of the respondents strongly disagreed or disagreed, 31 (16.7%) were undecided, whereas 68 (35.8%) strongly agreed or agree that schools provide airtime allowances to teachers for proper coordination of school programs.

The correlation of allowances and staff retention in the private secondary schools in Mbale Municipality was computed and results presented in Table 2.

Table 2

Pearson Correlation Coefficient Index between Allowances and Staff Retention

Responses	Allowances	Staff Retention
Allowances	Pearson Correlation	1
	Sig. (2-tailed)	.579**
	N	190
Staff Retention	Pearson Correlation	.579**
	Sig. (2-tailed)	1
	N	190

*. Correlation is significant at the 0.01 level (2-tailed).

As per the Pearson correlation results in Table 2, there is a strong positive relationship between allowances and staff retention in private secondary schools in Mbale Municipality, which is indicated by the correlation value of ($r = .579$, $n = 190$, $p < 0.05$). This implies that the more the private secondary schools provide allowances to their staff, the more they are retained, other factors remaining constant. The null hypothesis was consequently rejected and the alternative hypothesis was accepted to the effect that there is a statistically significant relationship between allowances and staff retention in private secondary schools in Mbale Municipality. This finding is consistent with that of Shives (2007) who argued that most of the workers improve on productivity and stay in their workplace, if they get motivated with tools such as allowances but the finding is inconsistent with the view of Aguenza and Som (2012) who disregard the value of financial allowances instead choosing to applaud the various forms of non-tangible motivators.

The researchers also drew on information from the interviews conducted and the major issues cropping up were the following. On allowances in general, one of the directors had this to say: *“Yes, allowances are extended to head of units with a purpose to motivate them e.g. welfare, subject head, and master-on-duty”*. Regarding sitting allowances, one of the head teachers said; *“There is nothing wrong in giving out sitting allowances but it is not applicable in our system and I have never whispered it anywhere”*. On transport allowance, one of the head teachers had this to say; *“Transport allowances under normal circumstances ease work especially to the part-time teachers who keep on running from one school to the other”*. Alluding to the issue of departmental allowances, one of the head teachers submitted as follows: *“Extending allowances to the linking team of staff is very crucial and may increase productivity of work in schools”*. Justifying allowances for participation in co-curricular activities, one of the head teachers argued; *“Sports and games keep healthier mind and make one physically fit especially those teachers who are talented in it”*. Supporting the need for airtime allowance, one of the head teachers observed; *“It is good for employers to begin thinking of communication benefits such as airtime for better service delivery in schools”*

Relationship between Staff Fringe Benefits and Staff Retention

In terms of findings to the items on fringe benefits, 67 (35.3%) of the respondents strongly disagreed or disagreed, 37(19.4%) were undecided, whereas 86 (45.3%) strongly agreed or agreed that schools provide health assistance to teachers in form of First Aid box. Also, 97 (51.1%) of the respondents strongly disagreed or disagreed, 32 (16.8%) were undecided, whereas 61 (32.5%) strongly agreed or agreed that schools give out terminal benefits to teachers who have been stopped from work. Meanwhile, 48 (25.3%) of the respondents strongly disagreed or disagreed, 27 (14.2%) were undecided, whereas 115 (60.5%) strongly agreed or agreed that schools give out sick leave or maternity leave to teachers. Also, 106 (55.8%) of the respondents strongly

disagreed or disagreed, 32 (16.8%) were undecided, whereas 52 (27.4%) strongly agreed or agreed that schools give out staff vehicles to teachers to cater for their transport costs as a sign of motivation. In another response, 61 (32.1%) of the respondents strongly disagreed or disagreed, 24 (12.6%) were undecided, whereas 105 (55.2%) strongly agreed or agreed that schools give out food items to teachers. Also, 69 (36.3%) of the respondents strongly disagreed or disagreed, 25(13.2%) were undecided, whereas 96 (50.5%) strongly agreed or agreed that schools provide accommodation to teachers in form of staff houses. Another finding indicated that 91 (47.9%) of the respondents strongly disagreed or disagreed, 28 (14.7%) respondents were undecided, whereas 71 (37.3%) respondents strongly agreed or agreed that schools observe NSSF requirements for their teachers. Notably, 10 (5.3%) of the respondents strongly disagreed or disagreed, 14 (12.4%) were undecided, whereas 116 (87.4%) strongly agreed or agreed that schools give out breakfast and lunch meals to teachers. In the final response, 90 (47.4%) of the respondents strongly disagreed or disagreed, 34 (17.9%) were undecided, whereas 31 (16.3%) strongly agreed or agreed that schools provide retirement packages to teachers.

The correlation of staff fringe benefits with staff retention in the private secondary schools in Mbale Municipality was computed and results of the correlation analysis are presented in Table 3.

Table 3
Pearson Correlation Coefficient Index between Fringe Benefits and Staff Retention

Variable		Fringe Benefits	Staff Retention
Fringe Benefits	Pearson Correlation	1	.540**
	Sig. (2-tailed)		.000
	N	190	190
Staff Retention	Pearson Correlation	.540**	1
	Sig. (2-tailed)	.000	
	N	190	190

** . Correlation is significant at the 0.01 level (2-tailed).

Pearson correlation in Table 3 reveals that there is a strong positive relationship between staff fringe benefits and staff retention in private secondary schools in Mbale Municipality, which is indicated by the correlation value of ($r = .540, N = 190, p < .05$). This implies that the more private secondary schools provide fringe benefits to their staff, the more they are retained, other factors remaining constant. Therefore, the null hypothesis set earlier was rejected and the alternative hypothesis stating that there is a statistically significant relationship between staff fringe benefits and staff retention in private secondary schools in Mbale Municipality was accepted. This finding is in line with Osibanjo, Adenij, Falola and Heirsmac (2014) who argued that indirect

compensation is paid as medical benefits, staff houses, meals, hospitalization expenses, vehicle loan benefits, annual leave benefit, and car basic benefit.

Premised on information obtained from the interviews, the researchers drew on the following key aspects: Conceding failure to offer strong medical help, a proprietor opined; *“Payment of medical bills to every staff is beyond the school’s capacity therefore we can’t afford”*. Regarding terminal benefits, one of the head teachers interviewed gave a vague response thus: *“Terminal benefits in private secondary schools is just a nightmare, institutions seem not to understand the concept because it is very expensive to be maintained”*. While ruling out the possibility of schools giving staff cars, a proprietor had this to say: *“Provision of staff car to every member of the school may drag it into a fixed loan, thus leading to its collapse”*. Regarding provision of food items to teachers, one proprietor submitted thus: *“Food basket is important and it creates sense of belonging and harmony between employer and employee, thus we do provide it once in a while especially on festival days”*. One proprietor while commenting on accommodation facilities stated thus: *“This school has accommodation facilities in form of staff quarters to all permanent workers only”*. On the relevance and practice of giving meals to staff, one proprietor argued; *“Provision of meals in schools is very crucial in as far as retention is concerned. Here in our school, we provide heavy breakfast, lunch and supper for our staffs”*

Generally, the findings of the study are consistent with Ghansah (2011), who argues that the key issue in retention is the amount of total benefits relative to levels offered by other institutions. He opines that institutions that have high levels of benefits have lower turnover rates and larger numbers of individuals applying to work for them. Zafarula and Sharjeel (2014) also posit that financial benefits are critical to retention while Marumbu (2014) equally considers money as an imperative retention strategy. In the same direction, Mutuma and Gerishom (2013) states that an effective remuneration system is one that permits an institution to attract, retain and motivate its workers while Steyn (2010) also believes that remuneration packages are a catalyst of employee retention. The findings are however, inconsistent with the views of Lovewell (2011) who suggests that offering both financial and non-financial benefits may not work for some employee since that depends upon the employer and employee’s relationship. Meanwhile, Gawona (2014) argues that monetary benefits may usher employees in but may not stop them from exit thus insisting something has to be done. Also, Suikkanen, Price and Taylor (2010) believe that an employee’s inner satisfaction is the key to retention not necessarily institutional or organizational employee packages. The researchers opine that head teachers and school proprietors must hold monthly salary, allowances and fringe benefits of employees as defining factors of staff retention since the views of respondents indicate that staff consider such elements as their connecting point to the school and thus, a bond. Without these, the relationship between the staff and the school would have lost a key pillar.

Conclusions and Recommendations

Owing to the findings of the study, the researchers made conclusions in line with the major objectives. In tandem with objective one, the study revealed a positive significant relationship between monthly salary and staff retention and concludes that the more the private secondary schools pay monthly salaries to their staff, the more they are attracted therefore easily retained, other factors remaining constant. This is attributed to high perception of monthly salary which normally results into improved staff retention. As for objective two, a positive significant relationship between allowance and staff retention was obtained leading to a conclusion that the more private secondary schools provide allowances to their staff, the more they are retained, other factors remaining constant. Meanwhile, as far as objective three is concerned, a positive significant relationship between staff fringe benefits and staff retention was obtained enabling the researchers to conclude that the more the private secondary schools provide staff fringe benefits, the more they are retained, other factors remaining constant.

Issuing from the above premise, the study offered some recommendations deemed fit to transform remuneration and aid staff retention. This was done cognizant of the objectives. With regard to monthly salary and staff retention, it is recommended that teachers' salaries be paid in time and increased in line with their cost of living while the pay should be adequate and commensurate with qualification, experience, commitment and responsibility of teachers. As far as allowances and staff retention are concerned, the researchers recommend that school authorities should develop a sound policy mechanism on allowances, motivation and as well as developing their teachers through continuous retention program. Finally, in regard to staff fringe benefits and staff retention, school authorities need to provide staff vehicles in order to ease their transport costs since transport has become very expensive nowadays. Equally, accommodation in form of staff houses and money as well as medical bills should be strengthened. School authorities should also advocate for NSSF benefits. The researchers are of the view that future research should focus on a purely qualitative investigation as well as a comparative analysis of private and public secondary schools.

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