

DO HUMAN RESOURCE PRACTICES, EMPLOYEE REMUNERATION AND EMPLOYEE BENEFITS HAVE SIGNIFICANT INFLUENCE ON THE RETENTION OF CHILDCARE TEACHERS IN THE CHILDCARE SERVICE INDUSTRY?

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ABSTRACT

This study investigates the impact of human resource practices, employee remuneration and employee benefits on childcare teachers' intentions to stay in the Singaporean workforce. This mixed methods study focuses on current qualified childcare teachers, their perspectives on human resource practices, employee remuneration and employee benefits in their workplaces and their intentions regarding whether to continue working in the childcare sector in Singapore. In the first phase of the study, which was qualitative, in-depth interviews were conducted with 21 current qualified childcare teachers. In the second phase of the study, which was quantitative, 202 current qualified childcare teachers in Singapore participated in a paper-based and web-based survey. The findings indicate that childcare teachers in Singapore want to be rewarded with fair human resource practices and employee wages are not the only dominant factor on the retention of childcare teachers in the Singaporean childcare industry. This study addresses a knowledge gap about childcare teacher retention in the childcare service industry in Singapore.

Keywords: childcare teachers, employee remuneration, employee benefits, human resource practices, intention to stay, retention

INTRODUCTION

Research indicates that childcare teachers with high level competencies have a positive impact in providing quality care and education that meets the needs of the young children and their families (Wertfein, Spies-Kofler, & Becker-Stoll, 2009). In some research studies, there are indications that employee remuneration and employee benefits influence employee intention to continue working in an

organisation (Cornille, Mullus, Mullis, & Shriner, 2006; Hausknecht, Rodda, & Howard, 2009; Holochwost, Demott, Buell, Yannetta, & Amsden, 2009).

In western countries there have been some studies into the effect of human resource practices, remuneration and benefits on childcare workers' employment intentions (Cornille et al., 2006; Holochwost et al., 2009). However, it appears that research on this topic is almost non-existent in Singapore. This study aims to fill in this knowledge gap. This study also provides opportunities for childcare teachers to communicate their perspectives regarding employee retention in the workforce. In addition, this study examines current employee retention strategies, particularly in regard to human resource practices, employee remuneration and employee benefits that childcare service business operators are adopting to retain their childcare teachers. The study was conducted in Singapore and aimed to answer the following research question:

"Do human resource practices, employee remuneration and employee benefits and have a significant influence on the retention of childcare teachers in the Singaporean childcare industry?"

With increases in the number of childcare centres to meet demand in the Singaporean childcare service industry, more childcare teachers will be needed. Therefore, this study provides important insights into current qualified childcare teachers' perspectives regarding whether they intend to keep working in the childcare sector.

LITERATURE REVIEW

There is an acute shortage of childcare teachers and an urgent need to increase the supply and quality teachers into the childcare industry in Singapore (Tan, 2014). The government will be building 45 new childcare centres to cater for the enrolment of 20,000 more children by 2017 (Saad, 2014).

In addition, it has been highlighted that there is a high turnover of childcare teachers which may disrupt children's learning in their early years (Chay, 2009; Tan, 2014). Although some literature from western countries highlights problems in the retention of childcare teachers (Sumsion, 2005; Carroll, Smith, Oliver, & Sung, 2008; Thorpe, Ailwood, Brownlee, & Boyd, 2011) there are very few studies on this important issue in Asian contexts, including Singapore. As there are different government policies, regulations and cultural contexts in the Singaporean childcare service industry, the relevant theories from the western countries may not be directly applicable in Singapore.

Retention Factors

There is a wide body of human resource management literature that deals with the issues of staff turnover and retention. Turnover theories often focus on employee intention to leave and actual staff turnover in the organisation (Hausknecht et al., 2009; Loan-Clarke, Arnold, Coombs, Hartley, & Bosley, 2010). When employee turnover occurs, it involves high replacement costs and staff shortages (Hausknecht et al., 2009). On the other hand, employee retention focuses on understanding employees' reasons for staying in the organisation and encouraging high levels of commitment among employees to achieve organisational goals and ensure high quality services (Yamamoto, 2013). Some studies in western countries have indicated that childcare teachers may leave the industry because they receive no significant increases in their salary packages (Fenech, 2006; Cassidy, Hegde, Kintner-Duffy, Lower, & Shim, 2011). In some other studies, employee benefits may increase employees' job satisfaction and their retention in the organisation (Chiu, Luk, & Tang, 2002; Nacif, 2006; Topp, Lee, Sylvester, & Johunson, 2006; Carroll et al., 2008; Cassidy et al., 2011).

In order to meet the increasing demand for affordable and high quality childcare centres in Singapore, the Early Childhood Development Agency (ECDA) allocated 17 new sites to its five childcare business anchor operators and these sites provide an additional 1,700 vacancies for childcare enrolments in Singapore in 2014. The ECDA is the regulatory and developmental authority for the early childhood sector in Singapore. In total, the childcare business operators are expected to provide about 16,000 additional vacancies in their childcare centres by the end of 2017 (Saad, 2014). In 2014, there were about 1,143 childcare centres in Singapore. From 2009 to 2014, there was a consistent increase in the number of centres and there were significant increases in enrolments. Table 1 shows the statistics on childcare services from 2009 to 2014. Access to data on the preschool sector in Singapore is limited.

Table 1
Statistics on childcare services in Singapore

Year (As at the end of)	2009	2010	2011	2012	2013	2014
Total number of childcare centres	785	874	955	1016	1083	1143
Total enrolment in centres	67,980	77,792	85,790	92,779	101,597	116,168

Source: Adopted from the Early Childhood Development Agency, ECDA (2015)

The government will be building more childcare centres in Singapore to meet the urgent demand for childcare services and for the additional enrolment of 20,000 children by 2017 (Saad, 2014). Hence, there is an acute shortage of childcare teachers and an urgent need to increase the supply and quality of childcare teachers to match the rapid expansion of childcare centres. It is also important to retain those qualified childcare teachers who are currently in the workforce (Chay, 2009; Saad, 2014; Tan, 2014). Childcare operators are experiencing great challenges in their attempts to recruit qualified teachers and other workers for their new childcare centres. It is estimated that the childcare operators need to recruit around 2000 qualified teachers and workers for the new childcare centres (First Campus-National Trades Union Congress (NTUC), 2010).

The employment of qualified childcare teachers is a key to ensuring high quality care for children in childcare organisations (Fenech, Waniganayake, & Fleet, 2009). Staff shortages can result in lower quality care (Sumsion, 2005). Inadequate staffing has been a persistent problem for the childcare business operators in Singapore (Tai, 2014). In addition, childcare business operators are also facing challenges in meeting the high cost of employing qualified teachers (Rolle, 2005; Sumsion, 2007). They are facing intense pressure to sustain their businesses with increasing operational expenses due to rental costs and the high cost of attracting and recruiting good teachers (Goy, 2013; Tan, 2014). Therefore, this study investigates the important challenge of how to retain qualified childcare teachers to meet the rapidly growing demand.

HYPOTHESIS DEVELOPMENT

Some prior studies have reported that employee remuneration (Williams, McDaniel, & Ford, 2007; Yamamoto, 2013) and effective human resource practices could be important factors for retaining employees (Li, Frankel & Sanders, 2011; Wheeler, Halbesleben, & Harris, 2012). Other studies have indicated that direct financial rewards are not the only effective strategy for long-term employee retention (Hausknecht et al., 2009; Giauque, Resenterra, & Siggen, 2010). Many researchers have found that employee benefits are significant factors in reducing employees' intentions of leaving their current jobs (Hales & Gough, 2002; Hausknecht et al., 2009; Holochwost et al., 2009; Cassidy et al., 2011).

Human Resources Practices

Human resource management involves the effective use of human capital. Human resources (HR) practices are crucial for gaining a sustainable competitive advantage for the organisation and for the satisfaction of individual employee

needs (Castrogiovanni & Kidwell, 2010). HR practices such as staff induction, job performance appraisal, job promotion, compensation, rewards and training policies are significant factors in encouraging employee retention and they have a direct or indirect impact on organisational performance (Singh, Darwish, Costa, & Anderson, 2012; Tuytens & Devos, 2012).

In previous studies, human resource managers have identified that it is essential to develop effective human resource practices to retain employees and improve organisational performance (Gvaramadze, 2008; Giauque et al., 2010). Previous studies have also reported that the integration of human resource management systems with high performance work practices has a direct influence on employee intention to stay in the organisations (Taylor, Levy, Boyacigiller, & Beechler, 2008; Giauque et al., 2010). Poor staff management in childcare organisations, with inadequate human resource policies and practices for newly recruited teachers, will increase employees' intentions of leaving the teaching profession (Liu & Ramsey, 2008; Tamir, 2010).

Furthermore, employees usually rely on the organisation's human resource systems and this may influence their work attitudes and their intention to stay in the organisations (Li et al., 2011; Wheeler et al., 2012). Therefore, it is important for business organisations to develop and implement effective human resource management practices to retain their competent employees. Based on the above argument, the first hypothesis is:

H1: Human resource practices are positively related to childcare teachers' intentions to stay in the Singaporean childcare service industry.

Employee Remuneration

According to Singapore's Ministry of Manpower (2014) statistical report for the year of 2012, the mean gross wage for pre-primary teachers is only S\$1,875 a month and for childcare-related workers it is S\$1,200. In Singapore, there is no standard national wage level for childcare teachers and other professional occupations. The wages for childcare teachers and workers in the early childhood industry seem to be significantly lower than for other professional workers. Ironically, childcare and related workers are classified under the service and sales worker category and they are classified as professionals (Ministry of Manpower, Singapore, 2014). Table 2 shows the monthly gross wages of selected professionals in the workforce.

Table 2
Monthly gross wage of selected professional occupations in the workforce (2012)

Occupation	Median (S\$)
Professionals	
• Accountant	4,453
• Chemist	4,267
• Civil Engineer	4,566
• Vocational Education Teachers	3,450
• Special Education Teacher	3,300
Associate professional	
• Human Resource Executive	3,200
• Management Executive	2,600
• Marketing and Sales Executive	3,936
• Registered Nurse	3,063
• <i>Pre-Primary Teacher</i>	1,875
Service and sales worker	
• <i>Childcare and related worker</i>	1,200
• Teachers' Aide	1,500
• Healthcare Assistant	1,594
• Shop Sales Assistant	1,533

Source: Ministry of Manpower (2014)

Direct financial rewards often take the form of base salaries and bonuses. A base salary recognises the employee's individual value in an organisation and is a measure of the employee's contribution to the organisation. An employee's base pay may increase as he or she upgrades their knowledge or skills, resulting in improved performance (Houldsworth & Jirasinghe, 2006; Hausknecht et al., 2009). Employee salary is the main component in the financial reward programme in an organisation (McKeen, Smith & Jin, 2009; Tourangeau, Cummings, Cranley, Ferron, & Harvey, 2010).

Prior studies have also reported that employee wages are an important factor for retaining employees, and employee salary level might affect employees' intentions to move to other organisations (Williams et al., 2007; Yamamoto, 2013). In addition, many employees indicated that financial compensation such as competitive salaries and financial incentives have a significant impact on whether they intend to continue working in an organisation (Williams et al., 2007; Yamamoto, 2013; Hausknecht et al., 2009; Hosie, Jayashree, Tchantchane, & Lee, 2013; Tourangeau et al., 2010). Tourangeau et al. (2010) also reported

that financial rewards significantly influenced employees' intentions to move to competitor organisations when they offered better cash incentives or bonuses. Some organisations adopted short term employee retention strategies such as benchmarking employee salaries against competitor organisations salary levels (McKeen et al., 2009; Hosie et al., 2013).

In most organisations in the global market, allocating cash incentives to employees can motivate them to remain in the organisation and to help the organisation achieve its goals and objectives (Chiu et al., 2002; Camilleri, 2007). Some researchers have highlighted that cash payments are one of the factor in motivating employees to continue working in an organisation and to perform well (Houldsworth & Jirasinghe, 2006; Boles, Madupalli, Rutherford, & Wood, 2007; Hausknecht et al., 2009).

In the childcare service industry, direct financial rewards may be cash payments or monetary rewards which may be effective ways of retaining qualified childcare teachers (Sumsion, 2007; Cassidy et al., 2011). Some large childcare organisations provide regular pay increments based on: an employee's experience and length of service; incentives for lesson preparation work; and qualifications (Gable & Hunting, 2002; Carroll et al., 2008). These organisations also have staff bonus systems to encourage personal development or enrolment in childcare classes (Gable & Hunting, 2002; Carroll et al., 2008).

Good cash incentives could enable employees to have better job satisfaction and this may reduce employee turnover (Benson & Dundis, 2003; Kaliprasad, 2006; Ather, Khan & Hoque, 2011). In previous studies, employee salary and other financial rewards have been classified as important organisation stimuli than can improve employee retention (Williams et al., 2007; McKeen et al., 2009). Very often, when employees are satisfied with their salary and pay system, they are more likely to be committed to continuing to work in the organisation (Williams et al., 2007; Yamamoto, 2013).

However, this strategy will no longer be effective if the employees have reached their maximum capped salary level in the organisation (McKeen et al., 2009). On the other hand, other studies have emphasised that direct financial rewards are not the only effective strategy for long term employee retention (Hausknecht et al., 2009; Giauque et al., 2010). Other studies found that teachers do experience high satisfaction levels due to intrinsic rewards, particularly the contact with children, rather than extrinsic monetary rewards (Cockburn & Hayden, 2004; Rolfe, 2005; Tamir, 2010). In sum, several studies highlighted that it is

uncommon for childcare teachers to enter the profession based on monetary gains (Rolle, 2005; Peng, 2010).

Based on existing findings in the area of human resource management, a number of HRM practices, including employee benefits and employee remuneration, have been identified as influencing the employee's intention to stay in their occupation or industry (Hausknecht et al., 2009; Loan-Clarke et al., 2010). Therefore, we hypothesised the following:

- H1.1: Employee's satisfaction with current remuneration in the organisation has a positive relationship with childcare teachers' intentions to stay in the Singaporean childcare service industry.

Employee Benefits

Attractive employee benefits are one of the fundamental conditions for employee retention (Hausknecht et al., 2009; Yamamoto, 2013). Employees' perceptions of their welfare benefits in the organisation have the potential to affect employee retention (Yamamoto, 2013). Many organisations adopt successful human resource practices and policies by offering non-salary benefits such as health benefits and additional programmes for marriage leave, childcare leave, parental leave and elderly care leave to promote employee retention (McKeen et al., 2009; Tourangeau et al., 2010). In order to retain their employees, other organisations adopt effective human resource practices to offer employee benefits such as stock options, sign-on bonuses and financial retirement saving plans over a period of years (McKeen et al., 2009; Tourangeau et al., 2010).

Some organisations also adopt effective employee benefit strategies such as providing staff concession parking, fitness club membership, and opportunities for staff vacation (Tourangeau et al., 2010). Other employee benefits such as insurance, superannuation, holding picnics, games and activities, offering flexible work times, and soliciting employees' feedback on human resource practices can all effectively motivate employees in the organisations (Amar, 2004; Nacif, 2006).

Employee benefits are often perceived as important rewards which can influence employees to continue working in an organisation (Tourangeau et al., 2010). Many researchers have mentioned that employee benefits are significant factors in reducing employees' intentions of leaving their current jobs (Hales & Gough, 2002; Hausknecht et al., 2009; Holochwost et al., 2009; Cassidy et al., 2011).

Employee benefits may include support for their employee expenses such as health insurance, disability insurance, pension benefits and retirement saving

plans. Benefits also include annual leave and childcare leave (Cornille et al., 2006; Holochwost et al., 2009). In addition, Carroll et al. (2008) indicated that other some childcare organisations provide free lunches and dinners, presents and 'employee of the month' rewards to motivate childcare teachers to continue working in the organisations.

The availability of employee benefits has a strong relationship with employees' intentions to continue working in the childcare service workforce and in particular childcare organisations (Carroll et al., 2008; Cassidy et al., 2011). For example, in Holochwost et al.'s (2009) study in America, childcare teachers who worked in the workforce for five years reported that they viewed employee benefits, particularly health, disability and pension benefits, as being more important than their salaries.

Due to the unique characteristics of individuals, the same benefits may not suit every employee (Chiu et al., 2002; Kominis & Emmanuel, 2009) and previous studies have revealed that individual employees may have different preferences regarding their employment benefits (Tourangeau et al., 2010; Yamamoto, 2013). Older workers may have more concerns over their pension benefits and younger workers may prefer to have more opportunities for vacations and additional annual leave programmes (Tourangeau et al., 2010). Therefore, human resource managers need to identify which benefits are more likely to satisfy particular employees' needs with an accurate assessment of employees' feedback.

However, some scholars argue there is no significant relationship between employee benefits and employee turnover (Min, 2007). There are also indications of a positive relationship between higher employee performance and retention rates with the use of both direct and indirect rewards on the other (Kominis & Emmanuel, 2009). Based on the research findings and literatures within the area of human resource management, we propose the following hypothesis:

- H1.2: Employee benefits in childcare organisations are positively related to childcare teachers' intentions to stay in the Singaporean childcare service industry.

RESEARCH METHODS

This study adopted mixed methods approach. Phase One of the study involved in-depth interviews with 21 childcare teachers (18 from Singapore and 3 from the

Philippines) who were currently working in childcare centres in Singapore. The interviews were conducted face to face, allowing for good communication and the exchange of verbal and non-verbal cues such as smiling or frowning.

The aim of Phase Two study was to test and identify appropriate predictors of childcare teachers' intentions to continue working in the Singaporean childcare industry. This was done using factor analysis and multiple stepwise linear regressions. The objective of adopting multiple linear regression analysis was to predict changes in the dependent variable (childcare teacher's intention to stay) in response to the independent variables. The aim of this study is to confirm and analyse the findings (constructs) from the qualitative interviews to identify the best predictors for the dependent variable (childcare teacher's intention to stay). The independent variables include human resources practices, employee remuneration and employee benefits and the dependent variable includes intention to stay.

A pilot study was conducted with 10 professional senior teachers in the childcare service industry. Based on their reviews and recommendations, the instrument was revised and finalised. The questionnaires were distributed to 400 current qualified childcare teachers in Singapore. A total of 180 paper questionnaires and 22 online survey responses were collected and included in the study.

Sample Size

From the list of childcare centres on the *Singapore childcare link – One stop portal for childcare services* website (<http://www.childcarelink.gov.sg>), the target population was selected using a simple random method (probability sampling), with a suitable proportionate response being achieved as a result. In Phase One, the qualitative study, 30 childcare centres were selected using simple random selection. The childcare centres were selected based on the first letter of their name, ranging from A–Z. In total, 21 teachers from 11 childcare centres participated in the in-depth interviews. Table 3 presents the demographic information of the 21 participants in Phase One.

Table 3
Summary of participants' profile (interview)

Participants	Gender		Highest qualification attained in early childhood education	No. of participants	Nationality
Qualified childcare teachers in Singapore	Female	Male	Diploma in Early Childhood Care & Education - Teaching	16	Singaporean (16)
	21	0	Diploma in Early Childhood Care & Education (Leadership)	0	Nil
			Bachelor in Early Childhood Education	4	Singaporean (2) Filipino (2)
			Master in Early Childhood Education	1	Filipino (1)

In Phase Two, a total of 29 childcare supervisors/managers consented to their staff participating in this study. In total, 202 childcare teachers from 33 childcare centres participated in this quantitative phase. Table 4 presents demographic information on the participants in Phase Two.

Data Collection and Measurement

To achieve validity in this study, the researchers adopted member-checking strategies. In this study, the researchers asked the same set of questions to all 21 participants in the interviews. Each interviewee was sent a summary of the transcript of his/her interview which enable him/her to check the accuracy of the information they provided. Content analysis was carried out to group the categories and themes. Three significant themes, employee remuneration, human resource practices and employee benefits, emerged as factors that may influence a childcare teacher's intention to continue working in the childcare service industry.

The initial qualitative findings informed the development of constructs and items for the quantitative survey instrument. The survey questionnaires were administered to about 400 childcare teachers in Singapore. This mixed method research study applied quantitative methods to identify the relationships between retention-related variables in the Singaporean early childhood industry and to measure the strength of those relationships.

Table 4
Profile of respondents for survey (childcare teachers)

Demographics	Category	Frequency	Percentage (%)
Gender	Male	2	1.0
	Female	200	99.0
Age Group	18–24 years	68	33.7
	25–31 years	58	28.7
	32–38 years	35	17.3
	39–45 years	25	12.4
	Above 46 years	16	7.9
Residency status in Singapore	Singapore citizen	144	71.3
	Permanent resident	28	13.9
	Work pass holder	30	14.9
Marital status	Single	108	51.9
	Married	93	44.7
	Divorced	7	3.4
Academic qualification in childcare industry	Diploma in childhood care and education (Teaching)	125	61.9
	Diploma in childhood care and education (Leadership)	21	10.4
	Diploma in childhood care and education (Teaching & Leadership)	15	7.4
	Specialist Diploma in Early Childhood Education	3	1.5
	Degree in Early Childhood Education	37	18.3
Current job position	Post Graduate Degree in Early Childhood Education	1	0.5
	Nursery level childcare teacher	111	55.0
	Kindergarten level childcare teacher	68	33.7
Length of time in current childcare organisation	Senior teacher in the childcare centre	23	11.4
	Less than 1 year	41	20.3
	1 year to 2 years	66	32.7
	From 2 years to 5 years	53	26.2
	More than 5 years	42	20.8

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Table 4 (*continued*)

Demographics	Category	Frequency	Percentage (%)
Current job position	Nursery level childcare teacher	111	55.0
	Kindergarten level childcare teacher	68	33.7
	Senior teacher in the childcare centre	23	11.4
Length of time in current childcare organisation	Less than 1 year	41	20.3
	1 year to 2 years	66	32.7
	From 2 years to 5 years	53	26.2
	More than 5 years	42	20.8
Number of childcare centres worked for	1	71	35.1
	2	52	25.7
	3	39	19.3
	4	15	7.4
	5	16	7.9
	6	3	1.5
	More than 6	6	3.0
Years of childcare teacher work experience in the industry	Less than 1 year	24	11.9
	1 year to 2 years	43	21.3
	From 2 years to 5 years	58	28.7
	More than 5 years	77	38.1

Source: Analysis of survey data (*n* = 202)

The researcher distributed paper questionnaires to the respondents who were childcare teachers working in the Singaporean childcare service industry. Alternatively, the participants could log on to the provided weblink to participate in the survey online. The participants were informed that the survey was anonymous, voluntary and confidential. The participants answered every question using a seven-point Likert scale with responses ranging from 'strongly agree' to 'strongly disagree'.

RESULTS

In summary, three main themes; (a) human resource practices, (b) employee remuneration and (c) employee benefits emerged in the qualitative study. In presenting the data, direct quotations are used. The interviewees were not

identified at any time and only code letters were used to identify their responses. More than 70% of the interviewees (15 out of 21 interviewees) reported that human resource practices was an important factor in their decision about whether to continue working in the childcare organisation. Two interviewees mentioned that the childcare organisation imposed disincentives to discourage teachers from taking medical leave. Their childcare organisations deducted a sum from their cash medical benefits each time they applied for sick leave. They disclosed that they were dissatisfied with this human resource practice in the childcare organisation. They said that teachers were prone to catch airborne viruses in the childcare centre and it was inevitable that they would have to apply for sick leave during their employment.

"I think that it is not a fair human resource policy to penalize us for lateness and the number of medical leaves in the appraisal. I think it is impossible not to take medical leaves in this job. We do catch the flu viruses from the children." (PP)

In terms of employee remuneration, 9 of the 21 interviewees reported that their salary was an important factor in their decision about whether to continue working in the childcare organisation. Only 3 out of the 21 interviewees indicated that they were satisfied with their salary.

"Financial reward is definitely important but the management also need to show appreciation to the teachers too by providing annual salary increment. It will be good for the organisation to provide other rewards such as having additional annual day leaves, so that the teachers feel they are appreciated." (BB)

However, the rest of the respondents said that they did not consider the salary scale when they joined the childcare workforce. They said that they were aware that childcare teacher salaries were relatively low when they joined this workforce.

"There is not much financial rewards working as a childcare teacher but it is rewarding to see the children under my care progressing with their developmentally skills." (CC)

"My salary is not high in comparison to other professional work. I am working in this industry because I love to be around children. I feel very happy when I have close bonding with them." (QQ)

It appears that employee remuneration is not the only factor influencing childcare teacher retention in the workforce in Singapore. Two respondents said they would be leaving the childcare service industry soon. They preferred to work in a kindergarten preschool setting because of the shorter working hours and they would not have to do routine care tasks in their workplace. They revealed that lower the salaries in kindergarten preschools were not an issue to them. In fact, they did not mind the lower salary package in their new job. Both of them explained that their job satisfaction was lowest when doing routine care tasks, for example, children's toileting, nap-time supervision, bathing and meal times.

"I will not consider working in the childcare teacher profession. The working hour is too long for me. I need to have more rest so that I can have improved in my teaching methods." (RR)

Generally, the findings implied that less than 50% of the respondents (9 of the 21 respondents) explicitly commented that their basic salaries were an important reason for them to continue working in the childcare teacher workforce. The rest of the respondents mentioned that the non-financial rewards, such as compliments from their supervisors and the parents in the childcare centres, the work satisfaction from the hugs and smiles on their children's faces, and the developmental progress of the children under their care, were motivational factors that contributed to their intentions to stay in the childcare teacher industry.

In terms of employee benefits in the childcare organisation, 14 of the 21 respondents indicated that they were provided with medical benefits, staff retreats and special celebration meals ranging from S\$100–S\$300 annually (Note: all amounts are in Singapore dollars unless otherwise stated).

"We have medical benefits, special meal celebrations and staff retreats. Our organisation also organises interesting fieldtrips in Singapore. I love the staff retreat. It's a great benefit for us in the workplace. I hope the staff retreats can be held in other Asian countries too." (LL)

In summary, childcare business operators provided a combination of different types of employee benefits to motivate their childcare teachers to continue working in the workforce. The findings in the qualitative study also indicated that respondents had different preferences regarding benefits.

Due to the sample size of 202 respondents and the three independent constructs in this quantitative study, multiple regression was selected as the appropriate method of analysis as the research problem involves a single metric dependent variable which was the "intention to stay factor" and this was presumed to be related to two or more independent variables.

The independent and dependent variables; (a) human resource practices, (b) employee remuneration, (c) employee benefits and (d) intention to stay; were analysed by applying multiple regression analysis to predict changes in the dependent variable in response to the changes in the independent variables. Table 5 shows the principal component analysis for the items in the final data analysis. Examination of the loadings led to the conclusion that there were three factors in this study.

Table 5
Principal component analysis

Items	Rotated Component Matrix			
	1	2	3	4
Human Resource Practices 1(hr)	0.733			
Human Resource Practices 2(hr)	0.706			
Human Resource Practices 3(hr)	0.705			
Human Resource Practices 4(hr)	0.702			
Employee Remuneration 5 (dr)		0.781		
Employee Remuneration 6 (dr)		0.775		
Employee Remuneration 7 (dr)		0.763		
Employee Remuneration 8 (dr)		0.712		
Employee Benefits 9 (ifr)			0.799	
Employee Benefits 10 (ifr)			0.781	
Employee Benefits 11 (ifr)			0.775	
Employee Benefits 12 (ifr)			0.701	
Intention to stay 13 (I)				0.775
Intention to stay 14 (I)				0.750
Intention to stay 15 (I)				0.736
Intention to stay 16 (I)				0.750

Note. hr (human resource practices); dr (Employee Remuneration); ifr (Employee Benefits); I (Intention to stay)

For Factor 1, the items *hr 1*, *hr 2*, *hr 3* and *hr 4* showed a good pattern of results with high loadings of 0.7 and above. Factor 1 was labelled as 'human resource practices' because these items were intended to measure employee satisfaction with the organisation's overall human resource policies and practices. For example, Item 3 was "I am satisfied with the company policy and procedures".

For Factor 2, the items *dr 5*, *dr 6*, *dr 7*, and *dr 8* showed a high loading value of above 0.7. It was decided to label this factor 'employee remuneration'. These items were constructed to measure childcare teachers' satisfaction levels with their current salaries in the childcare service industry. For example, item *dr 6* was "I have a fair salary package in this organisation".

For Factor 3, all the items, *ifr 9*, *ifr 10*, *ifr 11* and *ifr 12* had high loadings of 0.7 and above. It was decided to label this factor as 'employee benefits'. Each of these items had a similar relevance for measuring employee benefits such as additional annual leave, staff retreat, staff celebration meals and employee birthday gifts in the childcare organisation.

For Factor 4, all the items *I 13*, *I 14*, *I 15* and *I 16* had similar high loadings of above 0.7. Therefore, this factor was labelled as "intention to stay". For example, item *I 15* was "what is the likelihood that you will still be working with your current employer in two years?" Therefore, it was decided that the above constructs should be adopted as a direct measure designed to assess childcare teachers' intentions to stay in the industry. The Cronbach's alpha values for these four items were all above 0.7, which was an acceptable and reliable measurement scale for the data analysis.

Table 6 shows the ratios of skewness to Standard Error (S.E.) for the four variables that were smaller than 2.58 in absolute terms which indicated no significant levels of skewness or kurtosis. After inspecting the data in the normality test, the next procedure was to test the constructs for the dominant factors for childcare teachers' intentions to stay in the industry as identified in the in-depth interviews.

Table 6
Test for normality, skewness and kurtosis

Variables	Total Number	Mean	Std. Deviation	Skewness		Kurtosis	
				Statistic	S. E.	Statistic	S. E.
Human resource	202	5.0347	1.05010	-.400	.171	-.570	.341
Employee benefits	202	5.5866	.86382	-.261	.171	-.535	.341
Employee remuneration	202	4.8243	1.19078	-.397	.171	-.171	.341
Intention to stay	202	4.6349	.90503	-.426	.171	.274	.341

Source: Analysis of survey data

A stepwise multiple linear regression was used to identify the most parsimonious set of predictors of a childcare teachers' intentions to stay in the Singaporean childcare service industry using a set of three predictors (variables). The potential predictors (independent variables) consisted of human resource practices and employee remuneration. The analysis was terminated after two steps with two predictors extracted: *human resource practices*, $r^2 = 0.053$; $t = 4.114$ ($p < .05$) and *employee remuneration* $r^2 = 0.039$; $t = -3.504$ ($p < .05$). The summary results are shown in Table 7.

Table 7
Summary of multiple linear regression (stepwise) analysis results

Model	Unstandardised coefficients		Standardised coefficients	t	Sig.
	β	S. E.	β		
(Constant)	7.019	.656		10.692	.000
Human Resource Practices	.240	.058	.278	4.114	.000
Employee Remuneration	-1.55	.044	-2.04	-3.504	.001
Employee Benefits	-3.06	.159	-.125	-2.002	.055

Source: Analysis of survey data

Therefore, it is concluded that two independent variables of (a) human resource practices and (b) employee remuneration comprise the most parsimonious set of independent variable predictors closely related to a childcare teachers' intentions to stay in the workforce. The other independent variable, employee benefits was a weak predictor of the dependent variable, childcare teachers' intentions to stay.

The equation of prediction produced by this analysis which describes the relationship between the variables is shown below:

$$\text{Intention to stay} = .240 \times \text{human resource} - .155 \times \text{employee remuneration} + 7.019$$

The human resources practices ($\beta = .240$) is significant ($p = .000$), and the coefficient is positive which would indicate that greater human resources practices are related to the higher intention to stay (as the strongest predictor). Next, the effect of employee remuneration ($\beta = -1.55$, $p = .001$) is significant and its coefficient is negative indicating that higher employee remuneration will not increase the teachers' intention to stay (as the second predictor). Finally, the employee benefits ($\beta = -3.06$, $p = 0.55$) seems to be unrelated to intention to stay. This would seem to indicate that the employee benefits is not an important factor in predicting intention to stay.

DISCUSSION

In previous studies, human resource managers have identified that it is essential to develop effective human resources practices to retain employees and improve organisational performance (Gvaramadze, 2008; Giauque et al., 2010). The results in Phase One of the qualitative study indicated that more than 70% of childcare teachers reported that fair human resources practices, for example, employee incentives are dominant factors affecting their intention to continue working in the childcare service industry. In Phase Two of the quantitative study, human resource practices were also found to be a significant predictor that contributed to childcare teachers' intentions to stay in the Singaporean childcare service industry. Therefore, H1 was supported in this study, and this is consistent with previous studies which have reported that the integration of human resource management systems with high performance work practices has a direct influence on employee intention to stay in the organisation (Taylor et al., 2008; Giauque et al., 2010).

The analysis of the qualitative findings (Phase One) also revealed that less than 50% of the interviewees indicated that their basic salaries were an important factor in whether they continued working in the childcare teacher workforce. In Phase Two, the quantitative phase, the predictor employee remuneration shows a negative relationship on childcare teachers' intentions of continuing to work in the industry. This finding is consistent with several previous studies that direct

financial rewards are not the only effective strategy for long term employee retention (Hausknecht et al., 2009; Giauque et al., 2010).

The findings in this study revealed that the non-financial rewards, such as compliments from their supervisors and the parents in the childcare centres, the work satisfaction from the hugs and smiles on their children's faces, and the developmental progress of the children under their care, were other motivational factors that contributed to their intentions to stay in the childcare teacher industry. This finding is consistent with previous studies which found that teachers do experience high satisfaction levels due to intrinsic rewards, particularly the contact with children, rather than extrinsic monetary rewards (Cockburn & Hayden, 2004; Rolfe, 2005; Tamir, 2010).

Majority of the respondents mentioned that they did not consider the salary scale when they joined the childcare workforce. They said that they were aware that childcare teacher salaries were relatively low when they joined this workforce. This finding supports previous studies which found that it is uncommon for childcare teachers to enter the profession based on monetary gains (Rolfe, 2005; Peng, 2010). Hence, hypothesis H1.1 was negatively supported in the quantitative study.

In Phase One, the qualitative phase, the findings revealed that childcare business operators in Singapore offer different types of extrinsic direct and indirect rewards to their childcare teachers. The direct rewards (employee remuneration) may include year-end bonuses, salary increments, job performance bonuses, incentives for employees who do not apply for medical leave and gift vouchers for employee birthdays. The non-direct rewards (employee benefits) may include childcare benefits, dental benefits, medical benefits, optical service benefits, additional annual leave, study leave, additional birthday leave, staff retreats and special field trips for employees. It was apparent that business operators offered a combination of employee benefits to retain their qualified childcare teachers. The findings also implied that respondents had different preferences regarding different types of employee benefits as presented in Table 8.

Table 8
Childcare teachers preferences on different types of employee benefits in the childcare organisation

Types of employee benefits	No. of participants who agreed (n = 202)	Percentage (%)
Additional paid leave is a good form of employee benefits in my organisation.	114	54.8
Staff retreat is a good form of employee benefits in my organisation.	123	59.1
Celebration meal with colleagues (e.g. Teachers' Day or Christmas Day) is a good form of employee benefits in my organisation.	157	85.5
Birthday gifts or birthday shopping vouchers for employees is a good form of employee benefits in my organisation.	129	70.0

This finding supports previous studies which have found that due to employees' unique characteristics the same benefits may not suit all of them (Chiu et al., 2002; Kominis & Emmanuel, 2009). Interestingly, the findings from Phase Two show inconsistency with the results from Phase One. Moreover, the findings did not support previous studies which indicated that employee benefits have a significant impact on employee retention (Hales & Gough, 2002; Holochwost et al., 2009; Cassidy et al., 2011). Hence, hypothesis H1.2 was not supported in the quantitative study.

SUMMARY AND RECOMMENDATIONS

In the overall findings, human resource practices is a significant factor influencing childcare teachers' intention to continue working in the workforce. Interestingly, employee remuneration is not the only dominant factor influencing childcare teachers' intention to continue working in the Singaporean childcare service industry.

Most of the interviewees in Phase One said that the salary scale was not their main consideration when they joined the childcare sector. The finding is consistent with the Phase Two quantitative results that higher employee remuneration will not increase childcare teachers' intention to stay in the workforce. Although financial rewards may influence employee retention in other business sectors but it is not the only factor to retain childcare teachers in the Singaporean childcare sector. Most of the interviewees commented that they did not enter this profession based on the monetary gains as the salary is much lower

than in other professions in Singapore. This finding supports previous studies which found that it is uncommon for childcare teachers to enter the profession based on monetary gains (Rolfe, 2005; Peng, 2010)

In addition, more than 50% of the interviewees mentioned that intrinsic rewards such as compliments from supervisors and parents, the hugs and smiles on their children's faces and the developmental progress of the children under their care were motivational factors that contributed to their intention to stay in the industry. This finding is consistent with previous studies which found that teachers do experience high satisfaction levels due to intrinsic rewards, particularly the contact with children, rather than extrinsic monetary rewards (Cockburn & Hayden, 2004; Rolfe, 2005; Tamir, 2010).

Some other studies have found that improved employee benefits may increase employees' motivations and their retention in the organisation (Carroll et al., 2008; Holochwost et al., 2009; Cassidy et al., 2011). However in this study, employee benefits were found to be less significant factors. Most childcare teachers in Singapore would prefer to have better salaries or salary increments as compared to employee benefits in their organisations.

Childcare organisations could consider adopting effective non-financial reward systems for employee retention. This may include shorter working hours, staff recognition awards and employing assistant childcare teachers to cope with the labour intensive routine work tasks such as bathing, toileting and feeding young children in the childcare centres.

Lastly, human resource policies and practices are a significant factor influencing childcare teachers' intentions to continue working in the industry. With the integration of fair and effective human resource policies and practices, employees are more likely to experience satisfaction and be motivated to continue working in their organisations. By adopting these policies childcare organisations can retain highly experienced and competent childcare teachers, giving them a competitive advantage and enabling them to achieve organisational goals and provide quality childcare services to families.

PRACTICAL IMPLICATIONS

This study fills the knowledge gap about childcare teacher retention in the Singaporean childcare service industry and about childcare teachers' perspectives in regards to employee retention in the under-researched Singaporean childcare service industry workforce. This study also provides important insights into childcare teachers' intentions about whether to work in the Singaporean childcare

service industry. Lastly, this study provides important suggestions for business operators on how to improve their policies and practices to retain qualified childcare teachers in the Singaporean childcare service industry.

LIMITATIONS AND FUTURE RESEARCH

This research was limited to a sample of qualified diploma-level childcare teachers who are currently working in the Singaporean childcare industry. It did not obtain information from those who have already left the industry due to dissatisfactions with their employment. In addition, this study focuses on childcare teachers' perspectives as they do not have much opportunity to voice their concerns and issues in the Singaporean childcare service industry. Managers/owners of childcare centres were not included in this study. For future research, a case study approach could be adopted to compare large childcare organisations and small business owners to investigate other significant factors influencing childcare teacher retention in the Singaporean childcare industry.

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