

The Influence of Medical and Life Insurance on Employee Retention in Private Zambian Schools

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Abstract

Employee turnover is a significant challenge for many organizations globally. Turnover leads to enormous operations costs, including lost productivity, decreased customer loyalty, recruitment expenses, diminished competitive edge and demotivation among remaining staff. Employee turnover in private schools in Zambia's education sector is estimated at 18.7%. This study aimed to investigate the influence of medical and life insurance on employee retention in private schools, as literature has identified these benefits to be significant for retention in studies from America and Tanzania. The cross-sectional case study employed the pragmatism philosophy to identify factors influencing turnover and adapt a model for assessing the influence of medical and life insurance on employee turnover. Cochran's formula was used to calculate the sample size of 385 but only 228 semi-structured questionnaires (59%) were retrieved and 5 interviews of key respondents in the selected organizations. Ordinal Logistic Regression (ORL) in SPSS and content analysis were used to analyse quantitative and qualitative data respectively. The study found that compensation, job satisfaction, organization commitment, work structure and education level were statistically significant factors influencing employee retention at 5% level of significance. The study further established that medical and life insurance does not individually influence employee retention unless paired with pay and pension in a comprehensive compensation package. The study recommended that employee retention strategies in private school institutions should be designed around effective compensation and practices that promote job satisfaction, career development and work-life balance.

Keywords

Employee Retention, Medical/Life Insurance, Private Schools, Organisational

1. Introduction and Background

The biggest challenge for employers in today's business environment is managing their workforce and retaining talent over the long term. Research indicates that employees now typically stay with an organization for only 23 to 24 months before moving on (Qian, 2021). In the post-COVID-19 era, this issue has intensified, with organizations facing significant risks due to high turnover, including the loss of skilled talent to competitors (Breytenbach, 2022). The retention challenge is particularly pressing for private schools in Zambia, which must address talent loss and the likely re-employment by competitors to maintain stability and competitiveness (Das & Baruah, 2013). High Turnover rates further pose operational risks to the private schools such as loss of customer trust, and dilution of culture. Literature has shown how factors like compensation, flexible work arrangements and career progression affect employee retention. Previous research by O'Brien (2003), and Kalimanzila, Ma'ruf and Ndunguru (2019) has shown that medical and life insurance are considerations for employees when they are deciding on whether to leave or stay. However, specific benefits like medical and life insurance have not been explored in Zambia, and particularly among private schools. This study examines existing literature, including peer-reviewed journals, articles, books, and theses, to explore the factors influencing employee retention and propose strategies for employee retention for private schools.

1.1. Problem Statement

Many organizations globally are facing risk in their operations due to high staff turnover (Bielling, 2021). Zambia's educational sector faces a turnover rate of 18.7% (Zambia Statistics Agency, 2021). Private schools in Zambia, including members of the Independent Schools Association (ISAZ) of Zambia are affected with those that were investigated in this study having experienced 20% to 26% turnover between 2019 and 2024. Turnover leads to various downsides, such as the dilution of company culture, increased overtime expenses and reduced productivity. Additionally, co-workers are often burdened with extra work, which may heighten their likelihood of leaving as well. Previous studies have established that Medical and Life insurance influence employee retention (Kalimanzila, Ma'ruf and Ndunguru, 2019; O'Brien, 2003). Despite various strategies identified in the literature, there is limited understanding of how specific benefits, such as medical and life insurance, impact employee retention in the private education sector in Zambia including ISAZ member institutions.

1.2. Aim of the Study

Based on the literature review, background and statement of the problem, the

paper aimed to investigate the influence of medical and life insurance on the retention of employees among private schools in Zambia. The objectives of the study were:

- 1) To identify key factors influencing the retention of employees in private schools.
- 2) To establish the influence of medical and life insurance on employee retention among private schools.
- 3) To adapt a framework for assessing the influence of medical and life insurance on employee retention among private schools in Zambia.

The findings of this research enlighten private learning institutions on ways to incorporate medical and life insurance into their compensation strategies and generally offer research-based guidance on strategies to attract and retain talented employees. The lessons from this study also inform decision-makers and engineers of insurance services on how to package targeted medical and life products for employees in the education sector. Targeted insurance products are expected to improve the uptake of medical and life insurance in Zambia.

In summary, the first part of this paper gave an introduction and background to the research on the factors influencing employee retention among selected private schools in Zambia. The second section presents empirical and theoretical literature on retention. The third section of this paper explains the methodology of the study whereas the fourth section presents and discusses the results. The last two parts discuss the conclusions based on the findings of the study and the recommendations of the study.

2. Literature Review

Existing literature, mainly from journals, dissertations and books on the topic of employee retention and turnover. As [Kaunda and Chowa \(2023\)](#) noted, a literature review enables the researcher to engage with existing scholarly knowledge on the subject matter of the study.

2.1. Theoretical Framework

Maslow's Hierarchy of Needs

Maslow's hierarchy is a theory of motivation that asserts that individuals have five different levels of needs which they seek to satisfy. The first level of needs is about basic needs which includes physiological factors such as, shelter and utilities which an employer can address through pay ([Sishuwa and Phiri, 2020](#) and [Chewe, 2023](#)).

Figure 1 below is the illustration of Maslow's Hierarchy of Needs.

Maslow (cited by [Ramlall, 2004](#)) noted that employees in organizations are motivated by the desire to achieve or maintain prevailing factors which guarantee the continued enjoyment of these basic needs. [Chewe \(2023\)](#) puts it in this perspective, that individuals are motivated by unmet needs which provoke particular responses.

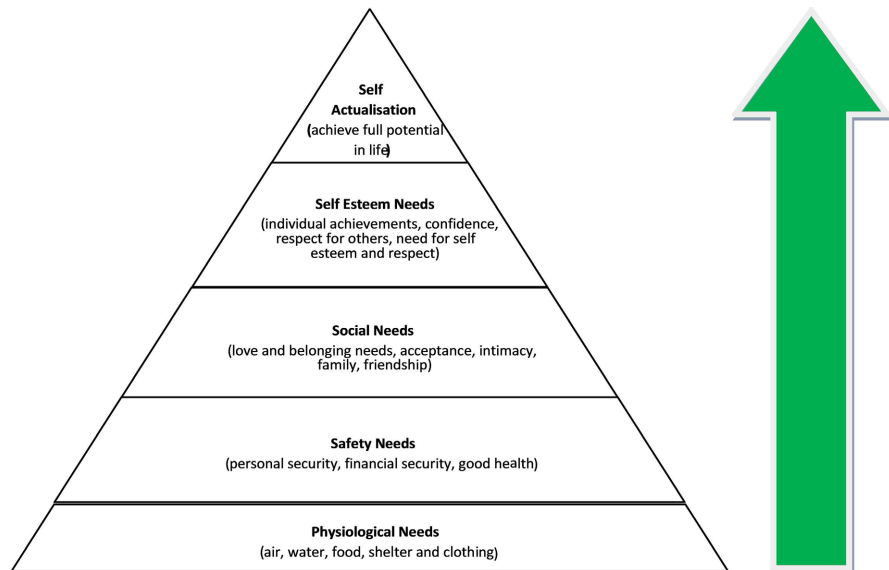


Figure 1. Maslow's hierarchy of needs model, Source: Chewe (2023).

2.2. Empirical Literature Review

According to (Das & Baruah, 2013), retention factors consist of three dimensions, such as social, mental and physical. The social aspect involves contacts that employees have with internal and external individuals, whereas the mental dimension speaks to the flexibility of the work environment, that is, how an organization requires an employee to handle tasks. The physical aspect is about the compensation structures and working conditions.

A literature reviews based study on the effectiveness of compensation in maintaining employee retention by Sorn et al. (2023) found that Compensation, which includes benefits such as insurance, retirement plans, and various types of leave is one of the most important factors affecting employee retention. Employees who are not satisfied with their compensation are more likely to leave their jobs. The conclusions made in the study by Sorn et al. (2023) are similar to another study by Chege (2016) who also highlighted that medical and life insurance stimulate the interest to stay on among employees.

With a similar approach to Sorn et al. (2023), a descriptive study using secondary data by way of reviewing research journals and books by Kossivi, Xu and Kalgora (2016) established that compensation was a key positive factor of retention. They noted that pay rewards to employees had short-term effects on retention, and highlighted the need for improved compensation which incorporates a quality of life to motivate employees to stay on even in the long term. It is important to note the emphasis by Kossivi, Xu and Kalgora (2016) on sustainable measures that ought to be taken to ensure that retention efforts capture a long-term perspective.

In addition, a study by Ejaz and Akbar (2015) on the impact of Human Resources practices that applied qualitative study design in Karachi, Pakistan concluded that compensation, employee training, employee empowerment, and

employee performance appraisal are important and essential considerations for Insurance companies to motivate employee retention. Although [Ejaz and Akbar \(2015\)](#) broadly highlight compensation as a factor affecting retention, they do not individually examine the influence of individual variables like employee insurance and pay on staff retention.

[Watkins and Fusch \(2022\)](#) tested empirical data and established that employee monetary compensation leads to Job Satisfaction and in turn leads to retention. The research studying 500 employees in the food industry in the USA concluded, contrary to the self-determination theory of motivation that monetary compensation is key to employee retention.

Another study in Nigeria by [Adewale and Potokri \(2023\)](#) on Post-COVID-19 male teachers' attrition in private schools found that a lack of concern for teachers' welfare during the COVID-19 pandemic, poor salaries, and unpleasant school policies contributed to many male teachers' attrition in private schools. In another study to assess the impacts of employee turnover on organizational efficiency in Nairobi, [Nyega \(2015\)](#) attributed high turnover to the lack of strategies for retention such as ineffective motivation strategies by the employer, lack of career development opportunities and poor work environment. It is important to note from the two studies by [Adewale and Potokri \(2023\)](#) and [Nyega \(2015\)](#), that the former highlights a psychological need of employees, that is, a concern which is also a similar conclusion that the latter draws, that career development opportunities and work environment matter in the eyes of the employees when deciding to stay or leave a company.

[O'Brien \(2003\)](#) held the view that like education and skills, health is an important aspect of human capital and employers are seeing the need to offer health insurance to its employees to motivate them to stay, and to bolster productivity. He held the view that most employees find insurance as a safety net against large expenditures in times of illness. This study by [O'Brien \(2003\)](#) showed that although empirical evidence had divergent conclusions, the majority of it concluded that employees offered insurance benefits changed their jobs less frequently.

Another study by the Society of Human Resource Management (SHRM) established that health insurance influences employee retention among companies surveyed in the United States of America. [Miller \(2018\)](#) noted that 46 percent of respondents in the survey reported that health insurance was either the deciding factor or a positive influence in choosing to remain in their current job. A different study by the same institution established that well-designed fringe benefits are key to retention ([Ezekiel and Torsabo, 2022](#)).

The study referred to above by the SHRM has similar findings to the one by [Kalimanzila, Ma'ruf and Ndunguru \(2019\)](#), who studied 58 respondents using qualitative methods from the public service in Tanzania and concluded that health insurance has a positive correlation with staff retention.

A study by Hay (cited by [Sishuwa and Phiri, 2020](#)) established that training and development is also among the most critical factors that any organization needs

to consider when framing its employee retention strategy. Although Bussin (Cited in Sishuwa and Phiri, 2020) had a different view, stating that training and development of employees raises their market value and they end up leaving the organization, it is generally understood from the literature that training and development is a key motivation and retention factor (Odiro, 2017).

Other lessons were drawn from a cross-sectional study by Maru and Omodu (cited by Ezekiel and Torsabo, 2022) using a purposively selected sample size of 159 at Niger Insurance plc in Port Harcourt. The study demonstrated that there is a significant relationship between non-monetary benefits and employee retention.

2.3. Conceptual Framework

The conceptual framework offers structure to the reasoning of the researcher regarding what he believes best explains phenomenon under investigation. It shows the conceptualization of the relationship between the dependent and independent variables Mubita (cited in Kaunda and Chowa, 2023). **Figure 2** below shows the conceptual framework based on lessons drawn from the literature reviewed:

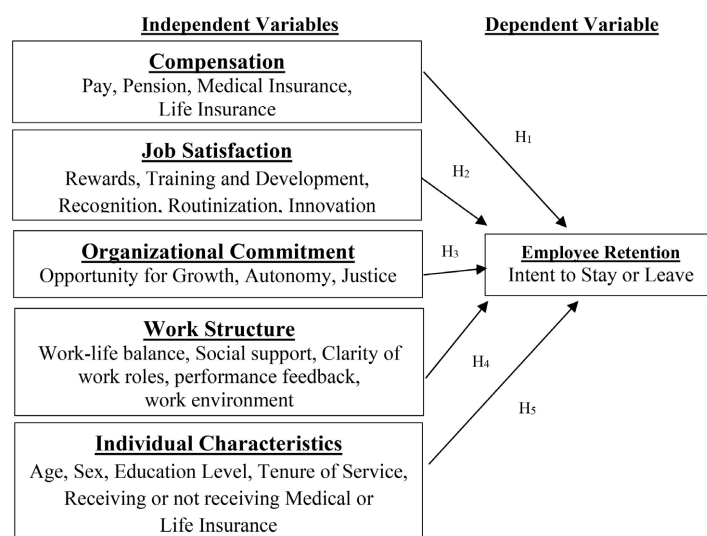


Figure 2. Conceptual framework: Source, Author, 2024.

The hypotheses H₁ to H₅ in **Figure 2** above, were tested to establish whether compensation, job satisfaction, organizational commitment, work structure and individual characteristics, respectively have an influence on employee retention.

The hypotheses were as follows:

H₀: Compensation, job satisfaction, organization commitment, work structure and individual characteristics do not influence employee retention.

H₁: Compensation, job satisfaction, organization commitment, work structure and individual characteristics influence employee retention.

2.4. Lessons from Literature Review

Literature has highlighted that employee retention or the opposite of turnover, is

a prominent business challenge globally (Bielling, 2021). There is reasonable consensus that factors such as inadequate compensation, lack of career progress and an unappealing work environment can cause staff turnover (Odiro, 2017; Das & Baruah, 2013). In addition, lack of adequate administrative support to employees, lack of concern about personal welfare and lack of motivation are central to attrition (Qian, 2021; Kukano and Mafora, 2020).

In another perspective focused on compensation, Sorn et al. (2023) found insurance, retirement plans, and various types of leave to be part of the most important factors affecting employee retention. Employees who are not satisfied with their compensation are more likely to leave their jobs. O'Brien (2003) who noted that employees offered insurance benefits changed their jobs less frequently than those who were not supports this view. In addition, a study by the Society of Human Resource Management also found that employees offered health insurance were very much decided about staying in their organization (Miller, 2018).

The other lesson drawn from the literature review is about the research design adopted. It is noted that the majority of studies on this subject matter utilize qualitative or descriptive study designs as opposed to quantitative. This is ideal as qualitative research is multimethod in focus, involving an iterative, interpretative and naturalistic approach to its subject matter. This means research of this nature, which collects data in natural settings, attempts to make sense of it, and interprets phenomena in various ways including a case study is best handled using a qualitative design (Aspers and Corte, 2019).

2.5. Research Gap

The study finds that the majority of previous studies have sought to identify factors that influence turnover and to devise strategies for managing turnover. For instance, the studies by James and Mathew (2012), Matindo, Pekeur and Karodia (2015) and Chege (2016) were related studies that are difficult to apply to the private education sector because they were country or sector-specific with significant differences. Further, the studies in the past have broadly focused on factors that affect retention, such as compensation, rewards and recognition, training and development, leadership and work environment (Das & Baruah, 2013), with limited focus directed to narrowing down to the specific factors of Medical and Life Insurance which this research intends to investigate. Moreover, as stated above, there is little published work in Zambia in general, specifically on how medical and life insurance would influence retention in independent schools. This study will thus fill up this gap and contribute to the body of knowledge on this subject matter.

3. Methodology

The methodology is a cornerstone of research as it provides structure Haradhan (cited in Kaunda and Chowa, 2023). The study adopted the pragmatism research philosophy to answer practical research questions that would resolve the problem

of employee turnover in private schools in Zambia (Mazikana and Hove, 2024).

3.1. Research Design

This is a case-study design that applied mixed methods to collect deeper insights into the subject from research participants (Rahman, 2016). A case study investigates subjects in their actual context, utilizing multiple sources of data in order to gain deep insights into the phenomena under investigation Sanders (cited in Mwansa and Hapompwe, 2023).

3.2. Study Area

The study was conducted in Lusaka City, which lies at 280-10' east of the Greenwich meridian and 150-30' south of the Equator (UN-Habitat, 2007).

3.3. Study Population

A population is every eligible study participant (Saumure and Given, 2008).

In this case all staff of selected private schools in Zambia, Lusaka.

3.4. Sample Size

The sample size of this study was 385. The sample size of respondents was computed by applying Cochran's formula for sample size which was adopted as it is ideal if the population size of the study is large or not known a priori (Israel, 2003). Daka and Phiri (2019) applied Cochran's formula in the study on Factors Driving the Adoption of E-banking Services Based on the UTAUT Model as the bank population size of the selected bank customers was not known.

The Cochran's formula for sample size (n) is given as:

$$n = (z^2 pq) / e^2 \quad \text{Equation (1)}$$

where:

n : the desired sample size.

z : the standard normal deviation is usually set at 1.96 (which corresponds to the 95% confidence level).

p : the proportion in the target population to have a specific characteristic. If no estimate is available, it is set at 50% (or 0.50)

q : $1 - p$

e : the desired level of precision or accuracy, normally set at 0.05.

The target sample size in this study was thus calculated as.

$n = (1.96^2 \times (0.5 \times 0.5)) / 0.05^2 = 384.16$, approximately 385.

Therefore, the study targeted and distributed 385 questionnaires to the selected respondents.

3.5. Sampling Techniques

This study recruited participants using purposive sampling. Researchers use purposive sampling to select participants based on the required criteria necessary for a study Frost (cited by Kaunda and Chowa, 2023). Stratified sampling was utilized

to ensure the representation of participants from all the randomly selected private schools.

Positive research endorses statistical techniques in sampling. However, as this study is pragmatic and small in scale, [Denscombe \(2010\)](#) asserted that purposive sampling can still be applied.

3.6. Data Collection Instrument

The instrument used in this study to collect relevant data was a semi-structured questionnaire designed with both closed and open-ended questions based on Maslow's Hierarchy Theory, the abridged Minnesota Satisfaction Questionnaire (1997) for Job Satisfaction as well as the revised Three-Component Model (TCM) Commitment Survey instrument advanced by [Meyer and Allen \(2004\)](#).

The Minnesota Questionnaire (1997) and the TCM Commitment Survey tools have both been tested for internal validity and found to be valid with a high Cronbach's alpha of 0.939 and reliable instruments for surveying employees for retention ([Khajuria and Khan, 2022](#); [Watkins and Fusch, 2022](#)). The individual characteristics, that is, the demographics section of the questionnaire was developed through lessons drawn from [Sishuwa and Phiri \(2020\)](#).

3.7. Test for Reliability and Liability

The Cronbach's Alpha Test for reliability measures the internal reliability, of an instrument. The test helps to confirm if the response values for each participant across a set of questions are consistent ([Phiri and Phiri, 2022](#)). [Ursachi et al. \(cited in Phiri and Phiri, 2022\)](#) argued that the commonly accepted rule is that the α of 0.6 to 0.7 indicates an acceptable level of reliability. **Table 1** below shows the Cronbach's Alpha test results:

Table 1. Cronbach's alpha test results.

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.809	0.846	33

Source: Computation of field data from SPSS.

Based on the computed α of 0.809, it was concluded that the instrument was reliable and demonstrated internal consistency.

Validity is taken to mean the extent to which the instrument covers the objective. To ensure validity, a pilot survey was carried out to determine the validity of the questionnaire. This allowed for identification of question ambiguities and making the necessary corrections ([Kimuyu, 2014](#)).

3.8. Test for Normality

Kolmogorov-Smirnov Test is used to establish if the sample is drawn from a

normally distributed population with a null hypothesis of normality. The test is particularly applied if the sample size is above 100 (Oke, Akinkunmi and Etebefia, 2019). The outcome informs the researcher on what inferential tests to undertake, that is, whether parametric or nonparametric tests. Table 2 below presents the results Kolmogorov-Smirnov test:

Table 2. Kolmogorov-Smirnov test results.

	Tests of Normality					
	Kolmogorov-Smirnova			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Gender	0.372	221	0.000	0.631	221	0.000
Marital Status	0.340	221	0.000	0.668	221	0.000
Age Group	0.248	221	0.000	0.869	221	0.000
Highest Educational Level	0.289	221	0.000	0.844	221	0.000
Length of Service with your current employer	0.209	221	0.000	0.846	221	0.000
Compensation	0.109	221	0.000	0.969	221	0.000
Work Structure	0.092	221	0.000	0.980	221	0.003
Job Satisfaction	0.083	221	0.001	0.980	221	0.003
Organizational Commitment	0.110	221	0.000	0.879	221	0.000
Retention	0.111	221	0.000	0.963	221	0.000

Source: Computation of field data from SPSS.

The p -values at 5% level of significance are less than 0.05. We reject the Null Hypothesis and conclude that the sample was not drawn from a normally distributed population. Therefore, non-parametric tests were used for inferential statistics.

3.9. Test for Reliability

To be confident that nonparametric tests will achieve reliable estimators, the variables should be free of severe Multicollinearity which occurs when more than two independent variables are correlated in a model of analysis.

According to Oke, Akinkunmi and Etebefia (2019), multicollinearity is not a problem if the objective of a study is simply to predict a dependent variable with independent variables as the R^2 will show how well the model fits the data. However, it is a problem if how much independent affect a dependent variable has to be determined. Oke, Akinkunmi and Etebefia (2019) noted that scholarly consensus has been built that if any of the Variance Inflation Factors (VIFs) exceeds 5 or 10, it is an indication that the associated regression coefficients are poorly estimated because of multi-collinearity. In this study, the VIFs were less than 5,

therefore, Multicollinearity was not severe. The Ordinal Regression analysis was run whose results are presented in the next section.

4. Results and Discussion

4.1. Descriptive Results

4.1.1. Distribution of Respondents by Sex

The pie chart below (**Figure 3**) summarizes the distribution of respondents by gender. The majority of the respondents, 56% were female and 44% was male.



Figure 3. Distribution of respondents by gender.

4.1.2. Distribution of Respondents by Age Group

Figure 4 below shows that majority, 39% of the respondents were aged between 31 - 40 years, 29% were in the 21 - 30 years age group and 20% were in the 41 - 50 years. No respondent was below 20 or above 60 years, whereas 11% were between 51 - 60.

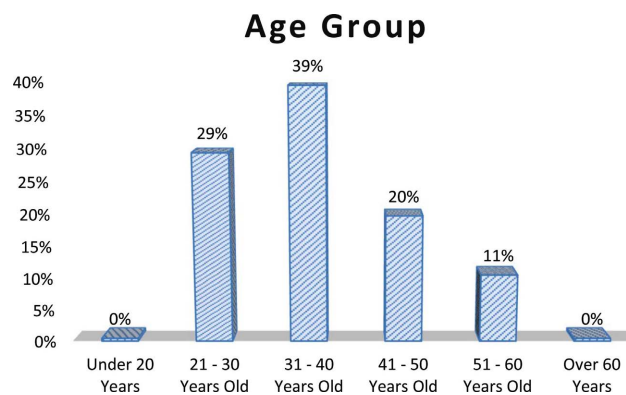


Figure 4. Distribution of respondents by age group.

4.1.3. Distribution of Respondents by Education Level

Figure 5 below shows that majority, 49% held first bachelor's degrees, whereas 35% had diplomas and 9% of respondents have high school certificates or below (secondary level qualification or below). Those with masters were 6% of the total respondents and only 1% constituted those who were qualified up to a Ph.D.

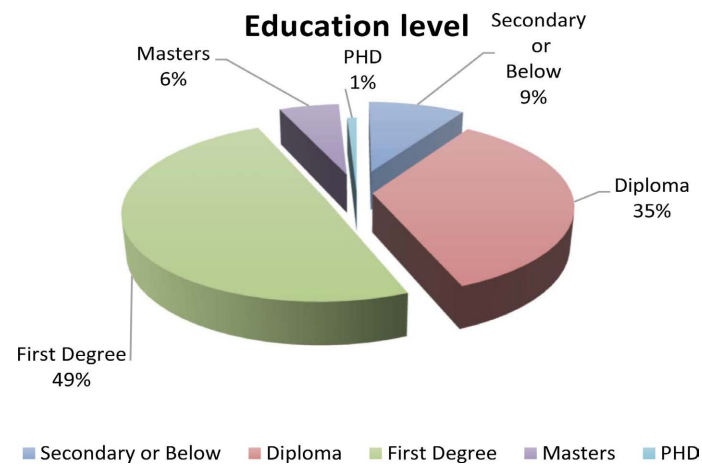


Figure 5. Distribution of respondents by highest level of education.

4.1.4. Distribution of Respondents by Receiving of Medical and Life Insurance

Figure 6 below summarizes proportions of respondents in private institutions by whether their employer offers them medical and life insurance benefits as part of conditions of service.

Respondents by Receiving Medical and Life Insurance

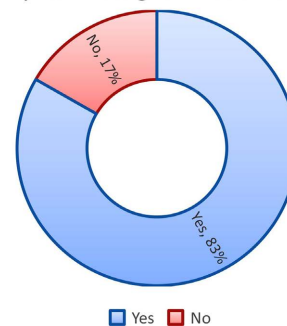


Figure 6. Distribution of respondents by receiving medical and life insurance.

Results from field data showed that majority of the staff sampled in the survey (83%) receive medical and life insurance benefits in their remuneration whereas a minority 17% does not.

4.1.5. Distribution of Respondents by Opinion on Whether Medical and Life Insurance Can Influence an Employee to Stay

Figure 7 below shows that Majority of 81% indicated that they think medical and life insurance can motivate an employee to stay with their employer whereas 18% think otherwise and 1% of the respondents were not sure.

4.1.6. Distribution of Respondents by What Would Influence Them the Most to Stay with Their Employer

Figure 8 below highlights the respondents by what would influence them the most to stay with their employer.

Do You Think Medical and Life Insurance Can Motivate Employees to Stay With Their Employers?

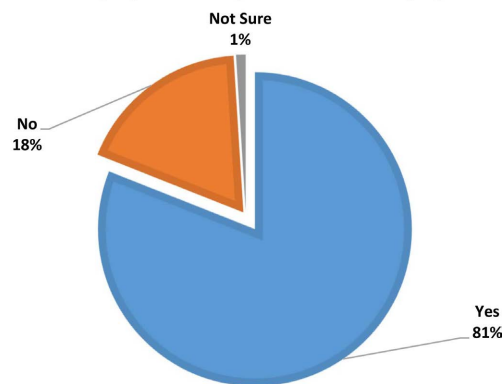


Figure 7. Distribution of respondents by opinion on whether medical and life insurance can influence an employee to stay.

Which one of the following factors would influence you the most to stay with your organization?

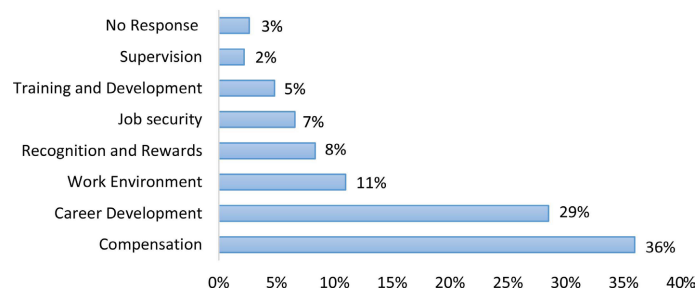


Figure 8. Distribution of respondents by what would influence them the most to stay with their employer.

Majority of the respondents (36%) stated that compensation would influence them the most to stay with their employers. Career development was another factor at 29% followed by work environment at 11% and recognition and rewards at 7%. Job security and training and development were at 7% and 5% respectively.

This outcome correlates with views of the key informants who stated that in their opinion, higher pays, that are reviewed regularly, as well as opportunities for career development would influence employees to stay with their employers. They added that most of their colleagues that left went to look for better opportunities of higher pay and improved conditions of service.

4.2. Key Factors Influencing the Retention of Employees among ISAZ Institutions in Lusaka

The tests carried out on field data using the Ordinal Logistic Regression Analysis, as indicated in **Table 3**, show that compensation, work structure, job satisfaction, organization commitment and level of education are significant factors influencing employee retention among private school and ISAZ institutions in Zambia.

For each unit increase in the independent variable, compensation had 0.646, work structure 0.651, job satisfaction 0.761, organization commitment 0.563 and education level 38.47 log odds respectively of falling in the higher category of intent to stay or retention. These findings are in agreement with [Sorn et al. \(2023\)](#) who concluded that compensation, which includes benefits such as insurance, retirement plans, pay and various types of leave is one of the most important factors affecting employee retention. Another study by [Kossivi, Xu and Kalgora \(2016\)](#) established that compensation was a key positive factor of retention. [Sishuwa and Phiri \(2020\)](#) concluded that compensation, work structure, organization commitment and job satisfaction are key factors that influence retention. However, the finding that the level of education positively influences retention contradicted [Sishuwa and Phiri \(2020\)](#) who found that there was no relationship between level of education and retention among employees in the transport industry.

The study further found that although offering an employee medical and life insurance has a positive correlation to retention, the factor was not statistically significant at 5% level of significance. This finding contradicts the conclusions of [Chege \(2016\)](#), [O'Brien \(2003\)](#) and [Miller \(2018\)](#) who found that offering medical and life insurance to employees can stimulate their desire to stay with their current employer. In addition, the age of an employee, length of service, gender, and marital status were not significant factors influencing retention at 5% level of significance. These findings align to the conclusions of [Sishuwa and Phiri \(2020\)](#).

Table 3. Ordinal logistic regression results.

		Estimate	Std. Error	Wald	Df	Sig	95% Confidence Interval	
Location	Length of Service	-0.104	0.106	0.949	1	0.330	-0.312	0.105
	Offer of Med and Life Insurance by Employer	0.050	0.295	0.029	1	0.865	-0.528	0.629
	Compensation	0.646	0.202	10.27	1	0.001	0.251	1.041
	Job Satisfaction	0.761	0.243	9.817	1	0.002	0.285	1.237
	Organizational Commitment	0.563	0.188	8.953	1	0.003	0.194	0.932
	Sex	0.045	0.265	0.029	1	0.865	-0.474	0.564
	Marital Status	-0.085	0.280	0.092	1	0.761	-0.633	0.463
	Age	-0.265	20.52	0.011	1	0.916	-5.211	4.681
	Educational Level	38.474	0.659	3459.9	1	0.000	37.458	40.041

Source: Computation of field data from SPSS.

In line with Maslow's Hierarchy of needs, the findings that compensation influences retention is as expected. At the base of the Maslow's theory are psychological needs of survival and security that are covered by compensation. Adequate pay, benefits such as medical and life insurance and financial security are expected to ensure that staff feel less compelled to leave for economic reasons, fulfilling the most fundamental needs for survival and stability in the theory. In the same vein,

the esteem, belonging and self-actualization needs theorized by Maslow are fostered by job satisfaction, favorable work structures, organizational commitment and educational attainment that support training and development, supportive work environment, career progression and work-life balance, that further support the decision to stay among employees.

4.3. The Influence of Medical and Life Insurance on Employee Retention among Private Schools and ISAZ Institutions in Zambia

Previous studies by Miller (2018), Kalimanzila, Ma'ruf and Ndunguru (2019), Chege (2016) and O'Brien (2003) found that offering medical and life insurance can motivate employees to stay with their employers. O'Brien (2003) contented that most employees view health insurance as a necessity as it protects them from a catastrophic loss of additional savings income in the event of critical illnesses that may demand access to medical care at a higher level. However, the findings of this study contradict this position. The study found that although medical and life insurance had a positive coefficient, it was not directly a statistically significant factor influencing intention to stay. However, compensation packaged in a compressive manner, with perks that include pay, pension, medical and life influence was statistically significant. This finding resonates well with conclusions by Kossivi, Xu and Kalgora (2016) who established that compensation was a key positive factor of retention. They noted that pay rewards to employees had short-term effects on retention, and highlighted the need for improved compensation which incorporates a quality of life to motivate employees to stay in even in the long term.

4.4. Framework for Assessing the Influence of Medical and Life Insurance on Employee Retention among Private Schools in Zambia

The third objective of the study was to adapt a framework for assessing the influence of medical and life insurance on employee retention among private schools in Zambia including ISAZ member institutions in Lusaka. By drawing lessons from Sishuwa and Phiri (2020), the objective was achieved by the construction of a model based on factors that were found to be statistically significant at 5% level of significance in influencing employee retention.

Based on the findings of this study, the framework for assessing employee retention is one that should consider robust compensation packages, job satisfaction, work structures, organization commitment and educational attainment.

Conclusions and recommendations for future research are drawn based on this framework in Section 5 and 6 below.

5. Recommendations

The study recommended that private schools, including members of the Independent Schools of Association of Zambia (ISAZ) should devise comprehensive

compensation packages that include medical and life insurance, in addition to pay and pension, to attract and retain talented employees.

Retention strategies should also target enhancing job satisfaction to reduce routinization, encourage innovation, and enhance training and development. In addition, the strategies to retain employees should target building organizational commitment through deliberate policies that promote personal growth both in academic and professional qualification and career development. Another strategy should include creating work structures and processes that promote work-life balance, constructive feedback to employees for their improved performance and a supportive work environment.

As medical and life insurance in the case of private schools and ISAZ institutions is not a statistically significant factor influencing employee retention, product engineers in Zambia should design these services to be easily and affordably accessible for easy inclusion in employee compensation packages.

6. Conclusion

The study aimed to investigate the influence of medical and life insurance on the retention of employees among private schools in Zambia, including members of Independent Schools Association of Zambia (ISAZ). The specific objectives were to identify key factors influencing the retention of employees, establish the influence of medical and life insurance on employee retention and to adapt a framework for assessing the influence of medical and life insurance on employee retention among private schools in Zambia.

The hypothesized factors influencing employee retention included individual characteristics such as age, sex, marital status, level of education and length of service, whereas the other factors were compensation, job satisfaction, organization commitment and work structure as presented in the conceptual framework in Section 2.3.

This study concluded based on field data analyzed using Ordinal Logistic Regression and taking a leaf from the literature reviewed that compensation, job satisfaction, work structure, organizational commitment and level of education are positive and significant factors influencing the retention of employees among private schools in Zambia, and members of Independent Schools of Association (ISAZ) institutions. For each unit increase in the compensation, job satisfaction, work structure, organization commitment and level of education, there were 0.646, 0.761, 0.651, 0.563 and 38.47 log odds respectively of each of the stated independent variables falling in the higher category of the dependent variable, retention, measured by intent to stay.

Conversely, the study concluded that although offering employees medical and life insurance in itself and directly is positively correlated to retention, this factor was not statistically significant at 5% level of significance. However, offering medical and life insurance to employees into a comprehensive compensation package

does influence retention. Individual characteristics like age, gender, marital status and length of service were not statistically significant at 5% level.

7. Areas of Future Research

This study identifies some opportunity for future research on the same topic in other types of schools and organizations to enhance the understanding of the subject of retention in Zambia. The study also recommended another research using the same independent variables in a different setting as it noted that its findings on the influence of individual characteristics of respondents on retention contradicted the conclusions of Sishuwa and Phiri (2020). Similarly, this study contradicted the findings of Chege (2016), O'Brien (2003) and Miller (2018) that insurance has no statistically significant influence on employee retention.

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Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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