

Exploring Attrition and Retention Factors in the Bhutanese Civil Service

*Thinley Namgyal** & *Dorji Pem⁺*

Abstract

This study investigates the attrition and retention factors within the Bhutanese civil service, focusing on developing effective strategies to enhance workforce stability and efficiency. Adopting a quantitative cross-sectional survey design, the research engages 841 participants comprising retired (145) and currently employed civil servants (696), utilizing a simple random sampling method. The results indicated that the primary reasons for leaving include lack of career development and poor management, whereas meaningful work and positive work environments anchor retention. Moreover, the findings suggest that improving career progression opportunities, management quality, and compensation packages, along with fostering a supportive work culture, are critical to mitigating attrition and enhancing retention. These insights not only assist in policy formulation within Bhutan but also resonate with global public sector employment challenges, offering a blueprint for other nations seeking to bolster their civil service sectors.

* Professor, Department of Research, Royal Institute of Management, Thimphu, Bhutan. Corresponding email: thinley_namgyal@rim.edu.bt

⁺ Lecturer, Department of Management Development, Royal Institute of Management, Thimphu, Bhutan. Email: dorji_pem@rim.edu.bt

Keywords: *Attrition, civil service, civil servant, retention*

Introduction

Civil servants are the backbone of national governance, instrumental in transforming policy visions into tangible outcomes that permeate every facet of daily life, from education and healthcare to infrastructure and beyond. Their work is vital for the seamless functioning of the state and its ability to meet the needs of its citizens. However, this indispensable workforce is facing a critical challenge that threatens the very core of its operational stability and efficiency. A distressing trend of high attrition rates has been revealed, with an increasing number of civil servants choosing to leave their positions, sparking concerns over public service continuity and underlying dissatisfaction within the workforce.

According to the Royal Civil Service Commission (RCSC) Annual Report, between 2019 and 2023, a total of 12,050 civil servants left from their positions for various reasons, with a significant 62.4% choosing voluntary retirement. Alarmingly, in the 2022 to 2024 financial year, 4,822 civil servants separated from the civil service, and out of these, 70.8% (3,413 individuals) voluntarily resigned. Furthermore, over half (53.9%) of these departures occurred in the Professional and Management Category (RCSC, 2024a, 2024b). These departures have pushed Bhutan's attrition rate to a record high of 16% (RCSC, 2024a), indicating not only a loss of critical expertise and institutional knowledge but also significant gaps in employee morale and retention strategies.

This attrition crisis poses profound implications for the efficacy of public administration in Bhutan. The high turnover

rate, especially among experienced professionals (minimum of 10 years in service) who hold pivotal managerial and technical roles, disrupts the continuity of critical public services and projects. This disruption could lead to delays, reduced efficiency, and potentially lower quality of service delivery, which in turn may impede economic stability and growth. Furthermore, the loss of institutional knowledge along with the departure of professional civil servants could lead to a degradation of operational capabilities and an increase in the resources required for training new employees.

The high attrition rate calls for the urgent need for a comprehensive evaluation of existing human resource policies within Bhutan's civil service. There is a clear indication that the current employment conditions, career development opportunities, and compensation structures may no longer align with the evolving expectations and aspirations of today's workforce. To curb this trend and ensure a resilient civil service, reforms must be initiated to enhance job satisfaction, bolster employee retention, and align HR strategies more closely with the needs of civil servants.

Therefore, this study is designed to investigate the complex issue of attrition among Bhutanese civil servants by examining the reasons behind the resignation of capable individuals from the civil service. It specifically aims to resolve two crucial inquiries: Firstly, what are the main factors driving attrition among Bhutanese civil servants, and secondly, how can the government formulate and apply effective measures to retain skilled and experienced personnel? The findings from this study will not only shed light on the attrition patterns within

the Bhutanese civil service but also facilitate the creation of a tailored and actionable retention strategy.

Literature Review

In less developed countries, the civil service stands as a cornerstone for fostering socioeconomic progress (Blackman et al., 2010). With its pivotal role in delivering essential services, the civil service must ensure it possesses the requisite skills, incentives, and an environment conducive to innovation (Kubota & Zangmo, 2021). However, enterprises, both locally and globally, grapple with the significant challenge of acquiring and retaining skilled individuals, as highlighted by Goswami and Jha (2012). The departure of talented individuals not only poses immediate performance losses but also harbours enduring adverse effects on organizational efficacy.

Articles from McKinsey on the "Great Attrition" show that voluntary turnover is increasing in a number of industries, posing significant issues for businesses. Attrition affects organizational effectiveness and employee morale in addition to resulting in expensive replacement costs. Businesses are finding it more and more difficult to draw in and keep talent, which is making the labour crisis worse and placing additional strain on their operating capacities (McKinsey & Company, n.d.).

Given the critical role of the civil service in ensuring effective governance and stability within nations, it becomes imperative to investigate the factors contributing to attrition and devise strategies for retention. This literature review seeks to provide a comprehensive understanding of attrition and retention within the civil service context, with a specific focus on Bhutan.

Through an exhaustive analysis of existing global literature, encompassing studies on attrition factors and successful retention strategies, this review aims to shed light on the multifaceted challenges faced by civil service organizations.

The global challenge of recruiting and retaining talent, while simultaneously managing talent loss due to attrition, is a complex phenomenon with profound implications for organizational performance. This dual challenge, as underscored by Yiu and Saner (2014), is not unique to India but is prevalent across other countries as well. It demands a nuanced approach to address the recruitment and retention of talent alongside mitigating talent loss caused by various factors, including industry downturns and voluntary individual turnover.

By delving into the intricate dynamics of attrition and retention within the civil service, this literature review endeavours to offer insights that can inform policymakers and organizational leaders in Bhutan and beyond. Furthermore, this review will develop a conceptual framework to visually represent the interplay between factors influencing attrition and retention strategies identified in the review literatures. This framework would help this study identify key factors to incorporate into the survey questions, ensuring a comprehensive assessment of the issues at hand. Ultimately, this would contribute to the enhancement of civil service effectiveness and organizational resilience.

Factors Influencing Attrition

According to a study conducted by the Centre of Bhutan and GNH Studies (CBS), as reported in Kuensel on September 24, 2022, several factors contribute to attrition among teachers in

Bhutan's education system. These factors include heavy workload, insufficient opportunities for professional development, ineffective leadership, unfavourable working conditions, and limited career advancement prospects.

Similarly, the reported reasons behind the great resignation of civil servants in Bhutan, as outlined by The Bhutanese newspaper on June 08, 2022, highlight significant challenges within the civil service system. According to interviews conducted with former civil servants, one of the primary issues cited is the inadequacy of salaries to support a family, indicating a pressing need for salary reform to ensure financial stability and employee satisfaction. Additionally, concerns were raised about the prevalence of nepotism within the Bhutanese civil service system, with reports suggesting that younger talent often faces barriers to advancement due to favouritism.

In this segment of the literature review, we will investigate the factors that contribute to job dissatisfaction and subsequent employee attrition, drawing insights from various studies conducted by different authors.

Yiu and Saner's (2014) findings underscore the critical role of salary and career development in contributing to employee turnover in Indian companies. The recognition of these factors as major contributors emphasizes the importance of competitive compensation packages and opportunities for professional growth in retaining valuable talents. A noteworthy revelation from Yiu and Saner's (2014) study is the consistent identification of the relationship with the direct supervisor as a key factor contributing to employee turnover in Indian companies. This finding underscores the challenges associated with leadership and managerial practices within the

contemporary managerial class in India. The difficulties highlighted in the relationship with supervisors indicate potential areas for improvement in leadership development and managerial effectiveness. Similarly, Goswami and Jha (2012) provide a comprehensive overview of factors affecting attrition in India, ranging from monetary incentives to workplace environment and leadership effectiveness. The allure of attractive pay and positions, coupled with challenges in career mobility and job fit, significantly impact employee retention. Moreover, issues related to high levels of stress, lack of work-life balance, and inadequate feedback channels contribute to dissatisfaction among employees, leading to attrition.

In a study by Kanteh and Gibba (2021) conducted in Gambia, the lack of career growth opportunities and inadequate remuneration were identified as major factors influencing attrition across both public and private institutions. This aligns with the global trend of employees seeking avenues for advancement and fair compensation. The study also highlights other contributing factors such as unmet job expectations, poor work conditions, and political factors, further emphasizing the complex interplay of organizational dynamics in attrition.

A study by Sze-Yin Ho et al. (2010) on Malaysian service professionals identified both push and pull factors influencing turnover intentions. Work-family lifestyle imbalances, strained relationships among co-workers, work stresses, and unsatisfactory supervisory connections were the main push factors contributing to attrition. Addressing these issues require flexible working arrangements, fostering a sense of team belonging, clear job roles, and positive leadership styles. On the

other hand, key pull factors such as competitive pay and benefits, engaging work, and promotional opportunities were found to be crucial in retaining employees. Organizations can reduce attrition by offering competitive pay, clear promotion paths, and opportunities for career development. These findings emphasize the importance of understanding both the intrinsic and extrinsic factors that drive turnover intentions among young, educated professional, and highlight the need for comprehensive retention strategies in the service industry.

A study conducted by Basariya and Ramyarrzgarahmed (2019) highlights the significant impact of turnover expectation on various elements contributing to attrition. Their research, which involved distributing 100 questionnaires to frontline and mid-level employees at selected retail outlets in Bangalore, revealed that turnover intentions are influenced by factors such as quality of work life, career development, working hours, personal and family reasons, relationships with co-workers, welfare, working conditions, and compensation. Among the eight variables examined, working conditions and compensation emerged as the most influential factors driving turnover intentions. The findings also pointed out that a majority of the respondents were young employees who prioritized career growth, leading to higher attrition rates within this demographic. This qualitative study underscores the multifaceted nature of attrition and the need for targeted retention strategies to address these key factors effectively. Table 1 below highlights the factors leading to employee attrition from the above provided studies, along with the author's name:

Table 1

Factors of Employee Attrition

Authors	Factors Leading to Attrition
Yiu & Saner (2014)	Salary and career development Relationship with direct supervisor
Kanteh & Gibba (2021)	Lack of career growth opportunities Inadequate remuneration Unmet job expectations Poor work conditions Political factors
Goswami & Jha (2012)	Monetary incentives Workplace environment Leadership effectiveness Career mobility Job fit Stress and work-life balance
Sze-Yin Ho et al. (2010)	Work-family lifestyle imbalances Strained relationships among co-workers Work stresses Unsatisfactory supervisory connection
Basariya & Ramyarrzgarahmed (2019)	Quality of work life Career development Working hours Personal and family reasons Relationships with co-workers Welfare Working Conditions Compensation

Retention Factors

Effective employee retention is a strategic and systematic effort by employers to create and maintain an environment that encourages employees to stay with the organization. This involves implementing policies and practices that address the diverse needs of employees. According to Das et al. (2012),

fostering such an environment requires a comprehensive approach, encompassing everything from compensation and benefits to career development opportunities and work-life balance. By addressing these factors, organizations can enhance job satisfaction and reduce turnover rates, ensuring a more stable and committed workforce.

Yiu and Saner (2014) recommended a multifaceted approach to address talent management challenges in the Indian context. Firstly, at the national level, there is a call for system-level realignments to enlarge the talent pool, emphasizing the critical role of continued education investment as a national development priority. To address employee aspirations, the authors propose a nuanced approach that aligns operational strategies with employee aspirations, avoiding the indiscriminate use of retention measures. Strategies include addressing concerns over pay fairness, fostering career development confidence, and enhancing the working environment through effective leadership and supervisory relations. Importantly, the authors advocate for a careful examination of fast-track promotions to prevent leadership style mismatches and subsequent turnover, suggesting that investments in human capital development, including emotional intelligence and personal maturity for junior managers, can strengthen corporate working conditions and HR response.

Kanteh and Gibba (2021) highlight the strategies proposed by employers to address attrition including improving compensation and reward packages, providing better working conditions, and fostering a strong bond with employees. Employees, when asked for measures they would take to retain

manpower, suggested restructuring of management, reviewing and reinforcing benefits and schemes, revising training policies, enhancing organizational communication, and addressing staff behaviour and attitude. The overall conclusion is that employee dissatisfaction with terms and conditions of employment necessitates immediate and long-term solutions to curb attrition.

Kelleher and Anderson (2010) in their study mention that the reduced working hours provide workers with more free time throughout the workweek, while flexitime allows workers to attend to personal matters without taking long time off. A more equitable division of personal and professional obligations is made possible via job-sharing. Career breaks are provided via sabbaticals, which support long-term work-life balance. Technology has made it possible for workers to telecommute, allowing them to take care of personal and family responsibilities from home. Achieving work-life balance is greatly aided by childcare policies, especially for households with two earners. By integrating these various components of flexible work arrangements, the civil service can create an organizational culture that prioritizes the well-being of employees, fostering greater loyalty, commitment, and productivity.

Some of the retention strategies proposed by Goswami and Jha (2012), are as follows:

- **Positive Working Conditions and Culture:** To lessen employee tension and encourage relaxation, cultivate a good work atmosphere and culture.

- Recognition and Mentoring: Recognize excellence in work and offer guidance, exhibiting concern and backing for staff members' career advancement.
- Effective Communication: To minimize miscommunication and misunderstandings, make sure upper management and staff are communicating clearly with one another.
- Flexible Working Hours: Provide flexible working hours to better balance work and personal demands.
- Work-Life Balance: Give work-life balance first priority in order to resolve interpersonal issues and lower staff attrition.
- Performance-Linked Bonuses and Pay Raises: To recognize and reward excellent work, implement bonuses for exceptional performance and take salary increases into consideration.
- Medical Benefits and Insurance: Provide health benefits and, if at all feasible, insurance coverage to show that, the business values its workers' health.
- Strategic Recruitment: Recruit people with the appropriate abilities and characteristics positions to avoid mismatches that might cause workflow disruptions.
- Continuous Training: Regularly hold training sessions to develop the abilities of your staff and help your organization function better.
- Employee Involvement in Decision-Making: Encourage trust by giving staff members a sense of ownership over key decision-making processes and making them feel essential to the company's success.

Critical Analysis and Conceptual Framework

The synthesis of existing literature on factors influencing attrition and strategies for retention reveals multifaceted

challenges and potential solutions within organizational contexts. Key factors contributing to attrition, as identified by Yiu & Saner (2014), Kanteh & Gibba (2021), and Goswami and Jha (2012), include issues related to salary, career development opportunities, leadership effectiveness, and work-life balance. These findings underscore the importance of addressing fundamental needs and concerns of employees to enhance satisfaction and reduce turnover rates. In response to these challenges, various retention strategies have been proposed, ranging from systemic realignments and investment in education, as suggested by Yiu & Saner (2014), to improvements in compensation packages, working conditions, and organizational communication, advocated by Kanteh & Gibba(2021).

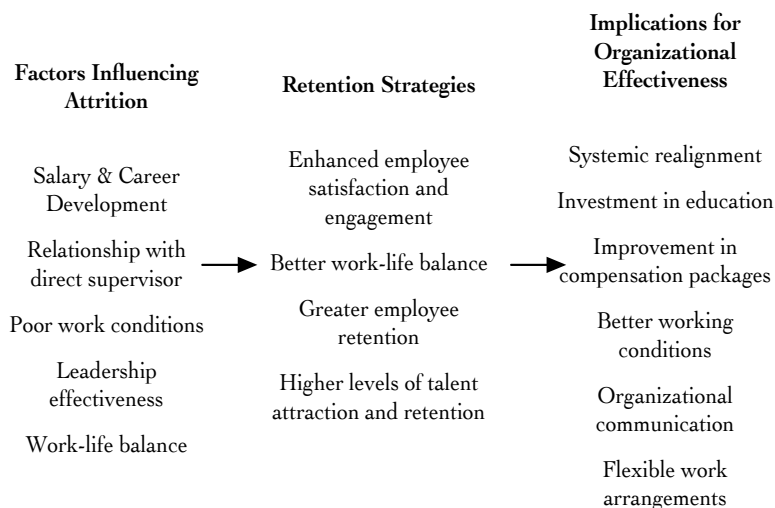
Additionally, Goswami and Jha (2012) propose a range of strategies, including fostering a positive work culture, providing recognition and mentoring, offering flexible working hours, and continuous training, to enhance employee satisfaction and retention. Overall, these findings underscore the complexity of attrition dynamics and the need for comprehensive strategies that address both systemic issues and individual needs within organizations.

A conceptual framework has been developed to visually represent the interplay between factors influencing attrition and retention strategies identified in the reviewed literature. The Figure 1 offers a comprehensive overview of the complex challenges and potential solutions discussed in the literature. This visual representation serves to enhance the clarity and accessibility of the critical analysis, providing readers with a

concise summary of the key insights gleaned from the reviewed studies.

Figure 1

Conceptual Framework: Interrelation Between Factors Influencing Attrition, Retention Strategies and Implication for Organizational Effectiveness.



Methodology

The initial phase of this study involved a comprehensive literature review of existing articles on the attrition and retention strategies of employees in developing countries. This review aims to identify the key factors influencing attrition and effective retention strategies within the civil service. The insights gained from the literature review will be critically analysed and contextualized to the specific circumstances of the

Bhutanese civil service. Factors and strategies identified in other developing countries will be assessed for their relevance and applicability to the Bhutanese context. Based on the comprehensive understanding of attrition and retention factors, the literature review will inform the development of survey questions. These questions will be designed to capture the specific experiences, perceptions, and attitudes of current and former civil service employees of Bhutan regarding the identified factors. The aim is to ensure that the survey comprehensively addresses the key issues relevant to the Bhutanese civil service environment. Based on the literature review, the study will formulate hypotheses related to the factors influencing attrition and retention among civil service employees in Bhutan. These hypotheses will be tested through the subsequent survey.

- After developing the survey questions based on the conceptual framework attributes, the study first distributed the survey to around 10 former civil servants as a pilot survey. This pilot survey allowed the study to gather preliminary results and feedback from participants, which were then used to refine and finalize the survey. The final survey was divided into two parts:
- Current Civil Service Employees: To understand the factors that contribute to their decision to remain in the service.
- Former Civil Service Employees: To explore the reasons behind their decision to leave the civil service.

The survey questions were designed using a Likert scale ranging from 1 to 5, where 1 indicates strong disagreement and 5

indicates strong agreement. This scale allows for the quantification of respondent's perceptions and attitudes towards various factors related to their employment experience. The survey questionnaire was distributed via Google Forms to ensure accessibility and ease of response. The total sample size included 841 respondents:

- 145 respondents who had left the civil service.
- 696 respondents who were still employed within the civil service.

This approach ensured a diverse range of perspectives from both current and former employees, providing a comprehensive understanding of the factors influencing attrition and retention. There was no non-response rate, as reminders were sent repeatedly until all targeted respondents completed the survey.

The collected data will be analyzed using Statistical Package for the Social Science (SPSS) software. The analysis will include descriptive statistics, to summarize the general trends and patterns in the data, and linear regression, to test the formulated hypotheses and determine the significance of various factors influencing attrition and retention. Hypothesis testing will involve using linear regression to validate the relationships between the identified factors and the turnover intentions of civil service employees in Bhutan.

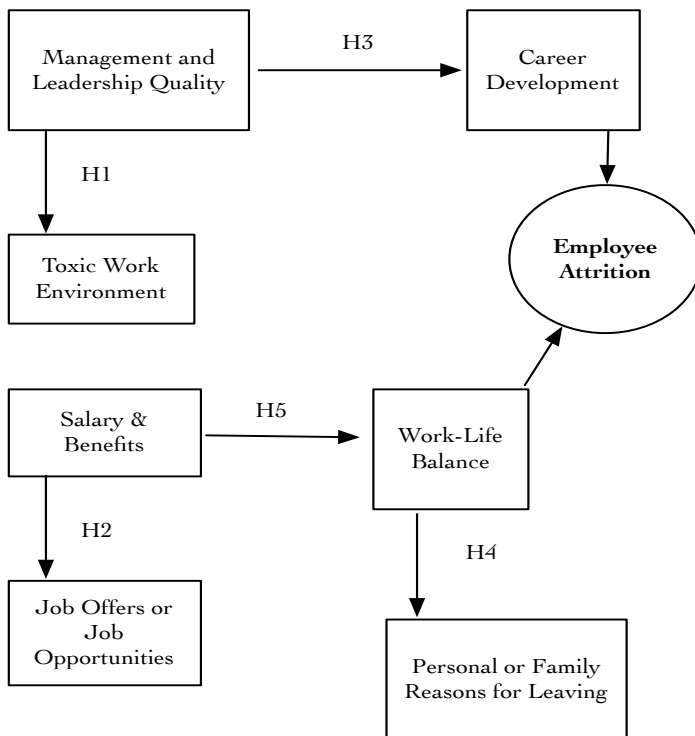
Hypotheses Formulation

The study aims to explore the factors contributing to employee attrition and retention within the Bhutan civil service. Drawing

insights from global literature on employee retention and attrition, several hypotheses have been formulated. These hypotheses focus on the relationships between various organizational factors and the propensity of employees to leave or stay within the civil service.

Figure

Conceptual and Hypotheses Model



H1: Poor Management and Leadership Positively Affect the Perception of a Toxic Work Environment

Yiu and Saner (2014) and Sze-Yin Ho et al. (2010) identify the relationship with direct supervisors as critical in contributing to employee turnover, indicating the challenges associated with poor management and leadership.

H2: Unattractive Salary and Benefits Are Positively Associated With Employees Considering Better Job Offers or Opportunities

Yiu and Saner (2014) highlights the importance of competitive compensation packages. Kante and Gibba (2021) identify inadequate remuneration as a major factor influencing attrition.

H3: Lack of Career Development and Achievement is Positively Correlated with Poor Management and Leadership

Goswami and Jha (2012) emphasize the importance of career mobility and job fit in employee retention, suggesting a link between career development opportunities and performance management.

H4: Unhealthy Work-Life Balance is Positively Related to Employees Citing Personal or Family Reasons for Leaving

Goswami and Jha (2012) and Kelliher and Anderson (2010) stress the importance of work-life balance in reducing employee attrition. Sze-Yin Ho et al. (2010) also cite work-family lifestyle imbalances as a push factor for attrition.

H5: Unattractive Salary and Benefits Are Positively Correlated with Poor Work-Life Balance

Goswami and Jha (2012) discuss the importance of both compensation and work-life balance in retention, suggesting that poor compensation can exacerbate work-life balance issues. Based on these hypotheses, the study developed a conceptual model, as illustrated in Figure 3. The conceptual model highlights the relationships between the key variables, providing a comprehensive framework for the research. The study intends to determine the main factors influencing staff attrition and recommend with the retention strategies within the Bhutanese civil service by evaluating these hypotheses. This knowledge will be useful in creating plans to raise worker satisfaction and lower attrition.

Results

Demographic Information

Table 2 provides the demographic information of retired civil servants and those currently in civil service who have taken part in the study. In terms of gender distribution, there were more men than women who took part in the survey comprising 68.3% of retired civil servants and 66.7% of currently employed civil servants. Conversely, females account for 31.7% and 33.3% respectively.

The majority of retired civil servants belong to the age range of 25-44, with the greatest number found in the 25-34 category, making up 42.1% of the retired civil service demographic. Likewise, a majority of respondents currently employed in the civil service fall within the 25-44 age range, collectively

constituting a substantial portion of the civil service workforce. More precisely, individuals aged 25-34 and 35-44 make up 39.7% and 36.6% of respondents, respectively.

In terms of educational background, a significant portion of both retired and currently employed civil servants hold at least a bachelor's degree. Notably, 50.3% of retired civil servants and 43.7% of currently employed civil servants fall into this category.

Regarding the positions held, the majority of retired civil servants were previously categorized under the Professional and Management category (PMC), comprising 64.9% of the group. This trend is echoed, albeit to a lesser extent, among currently employed civil servants, where PMC also dominates at 58.6%. Supervisory and Support Category (SSC) follows closely in both groups.

Regarding the length of employment, a significant proportion of civil servants have served for 0-10 years. For instance, 50.3% of retired civil servants and 47.8% of currently employed civil servants served between 0 – 10 years. As the length of employment increases, there is a gradual decline in representation, with fewer individuals serving for 31 years and above.

Table 1

Demographic Information of the Respondents

Demographic Information	Retired civil servants		Currently in civil service	
	Freq.	%	Freq.	%
Sex				
Female	46	31.7	232	33.3
Male	99	68.3	464	66.7
Age				
18-24	8	5.5	30	4.3
25-34	61	42.1	276	39.7
35-44	45	31.0	255	36.6
45-54	30	20.7	131	18.8
65+	1	0.7	4	0.6
Education Background				
Master's Degree Above	24	16.6	152	21.8
Post Graduate Diploma	17	11.7	93	13.4
Bachelor's Degree	73	50.3	304	43.7
Diploma	15	10.3	69	9.9
High School	12	8.3	71	10.2
Others	4	2.8	7	1.0
Position Held in the Civil Service				
Executives and Specialists Category (ESC)	12	9.0	20	2.9
Professional and Management Category (PMC)	87	64.9	408	58.6
Supervisory and Support Category (SSC)	30	22.4	152	21.8
Operational Category (OC)	5	3.7	18	2.6
Others			98	14.1

Length of Employment

0-10 years	73	50.3	333	47.8
11-20 years	43	29.7	227	32.6
21-30 years	22	15.2	112	16.1
31 years and above	7	4.8	24	3.5

Reasons for Leaving Civil Service

There are numerous reasons for leaving civil service that may require attention within the civil service sector (Figure 1). Among the top reasons cited for leaving civil service, lack of career development and achievement emerges as the most significant factor, with a mean score of 3.75 (SD=1.13). This indicates that, on average, respondents rated this reason quite highly as a factor in their decision to leave. Furthermore, the fact that about 62% of retired civil servants either "Agree" or "Strongly agree" with the statement about leaving due to lack of career development and achievements reinforces the idea that this is a major issue. Delving deeper into the data, it becomes apparent that the age group 25 – 34 is particularly affected by this issue. Within this group, a notable 44.4% rated “Lack of Career Development and Achievement” as 4 (Agree), and another 44.4% rated it as 5 (Strongly Agree). This combined 88.8% indicates a significant concern among early to mid-career professionals regarding their career progression and accomplishments. Table 3 provides the detailed output of the Crosstabs analysis, illustrating the distribution of responses across different age groups. Therefore, addressing the career development needs of civil servants, especially those aged 25 – 34, could be crucial in reducing turnover and improving job

satisfaction within this demographic. The high dissatisfaction within this age group suggest that targeted interventions aimed at enhancing career growth opportunities could be particularly beneficial in retaining talent in the civil service.

Poor management and leadership closely follow as another prominent reason for departure, with a mean score of 3.63 (SD=1.26). This result indicates that poor management and leadership within civil service organizations is another significant factor contributing to employees deciding to leave. Although, the mean score for poor management and leadership is slightly lower than the score for lack of career development, still reflects a strong agreement that poor management and leadership are major issues. Additionally, more than 62% of the retired civil servants either "Agree" or "Strongly agree" with the statement that they left due to poor management and leadership further highlights the importance of this issue. A considerable portion of retired civil servants strongly believed that shortcomings in management and leadership were major factors in their decision to leave their roles in the civil service.

Additionally, unattractive retirement benefits, better job offers or opportunities elsewhere, unattractive salaries and benefits, unhealthy work-life balance, and poor performance management are recognized as other key factors prompting civil servants to leave their jobs. More than half of the retired civil servants either "Agree" or "Strongly agree" that these issues were significant in their decision to exit the civil service.

However, family or personal reasons, organizational restructuring or merger, unreliable and unsupportive colleagues, and toxic work environments were among the less frequently selected factors for leaving the civil service.

Figure 3

Reason for Leaving Civil Service



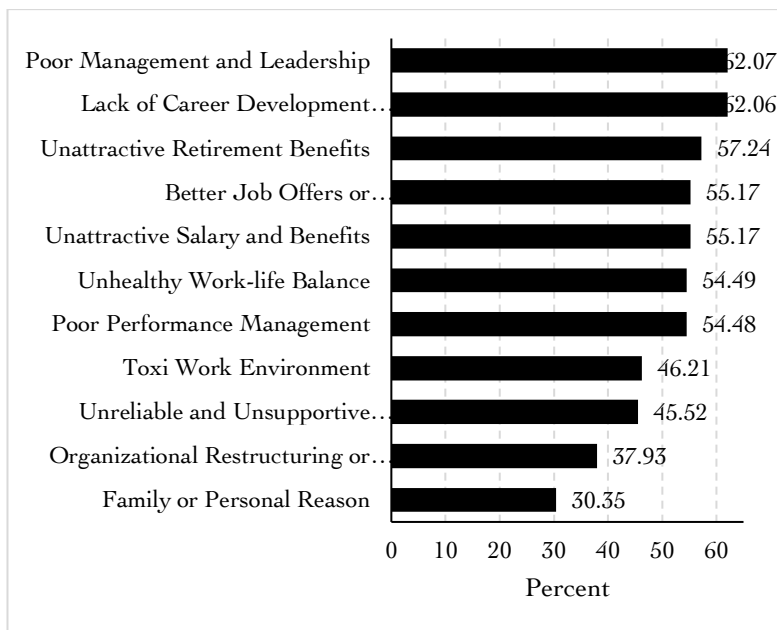
Table 3

Cross Tabulation Analysis Output

Age Level		Likert Scale Rating		Total
		4 (Agree)	5 (Strongly Agree)	
18 – 24	Count	3	2	5
	% Within Age	60.4	40.0	100
	% Within Lack of career development and achievement	6.7	4.4	5.6
25 – 34	Count	20	20	40
	% Within Age	50	50	100
	% Within Lack of career development and achievement	44.4	44.4	44.4
35 – 44	Count	11	13	24
	% Within Age	45.8	54.2	100
	% Within Lack of career development and achievement	24.4	28.9	26.7
45 – 54	Count	11	9	20
	% Within Age	55.0	45	100
	% Within Lack of career development and achievement	24.4	20	22.2
65+	Count	0	1	1
	% Within Age	0	100	
	% Within Lack of career development and achievement	0	2.2	2.2

Figure 1

Percentage Age of Retired Civil Servants Either "Agree" or "Strongly Agree" With the Reason Cited for Leaving the Civil Service



Reason for Staying in Civil Service

Although understanding why civil servants exit the civil service is crucial, it's equally imperative not to overlook the factors that influence civil servants' choices to remain within the sector. Numerous factors play a role in determining civil servants' decisions to stay in their positions within the civil service (Figure 2). Among the top reasons cited for staying, the sense of meaningfulness at work emerges as the most significant factor, with a mean score of 3.49 (SD=1.04). Additionally, approximately 55% of civil servants either "Agree" or "Strongly agree" with the statement that their continued employment in

the civil service is due to finding their work meaningful. This suggests that a sense of purpose and relevance in their roles is a key factor motivating a majority of these employees to remain in their positions, highlighting the importance of meaningful work in employee retention within the civil service.

Good collaboration and a safe working environment are the second and third most cited reasons for staying in the civil service with a mean score of 3.23 (SD=1.02) and 3.13 (SD=1.16), respectively. Furthermore, about 42% of civil servants either "Agree" or "Strongly agree" with the statement that they remain in their positions due to good collaboration and a safe working environment in the civil service. This suggests that effective teamwork and good work environments are important factors that contribute to employee retention in the civil service, although they are slightly less influential than the sense of meaningful work.

Likewise, other key factors such as seamless onboarding and orientation processes, career development and advancement, effective and inspiring leadership, adequate salary, and reliable and supportive people at work are also highlighted as reasons for remaining in the civil service. These elements collectively create a supportive and engaging work environment that encourages employees to stay. Consequently, over 30% of civil servants either "Agree" or "Strongly agree" that these aspects play a crucial role in their decision to continue in their roles. This significant percentage reflects the positive impact of these factors on employee satisfaction and retention, emphasizing the importance of comprehensive support and development opportunities in maintaining a committed and motivated workforce.

However, attractive retirement benefits, adequate recognition and reward, and adequate compensation are the least cited reasons for staying in the civil service with a mean score of 2.42 (SD=1.21), 2.59 (SD=1.15), and 2.73 (SD=1.04) respectively. Consequently, only about 20% of civil servants "Agree" or "Strongly agree" that these factors are why they remain in their positions. This indicates that these elements, while important, are less influential in retaining employees compared to other motivators such as meaningful work or good collaboration.

Figure 5

Reason for Staying in the Civil Service

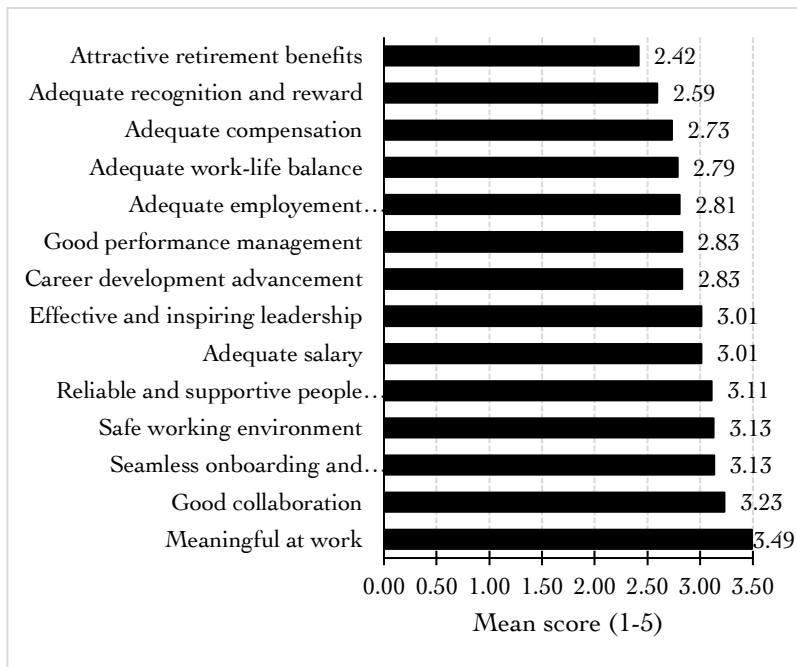


Figure 2

Percentage of Civil Servants Either "Agree" Or "Strongly Agree" With the Reasons for Staying in Civil Service



Study Hypotheses Outcome

The hypotheses formulated in this study were tested using linear regression analysis with SPSS software. To approve the hypotheses, a standard significance level (p-value) of 0.05 was used, meaning that a p-value less than or equal to 0.05 indicates a statistically significant relationship. This threshold is widely accepted in statistical hypothesis testing and is rooted in the foundational work of Sir Ronald A. Fisher. The results provide

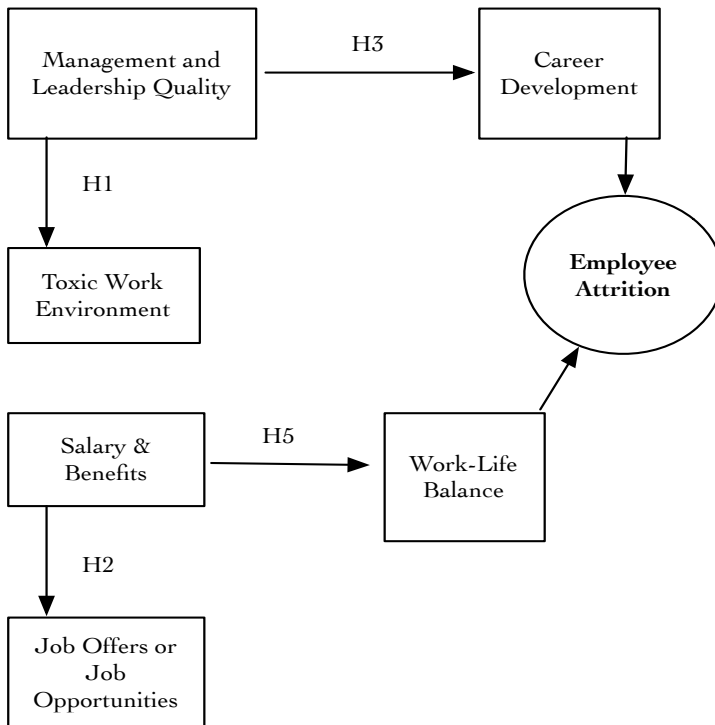
insights into the factors influencing attrition and retention among civil service employees in Bhutan. Following results were generated for the study hypotheses:

- H1 hypothesis, the results indicate a significant positive relationship, with a standardized coefficients beta of 0.518, and a significance level (Sig.) of 0.000. This suggests that poor management and leadership are strongly associated with perceptions of a toxic work environment among civil service employees.
- H2 hypothesis, the analysis shows a significant positive correlation, with a standardized coefficients beta of 0.373, and Sig.=0.000. This finding confirms that employees who perceive their salary and benefits as unattractive are more likely to consider better job offers or opportunities elsewhere.
- H3 hypothesis, the regression results reveal a strong positive relationship, with a standardized coefficients beta of 0.600, and Sig.=0.000. This indicates that a lack of career development and achievement is closely linked to poor management and leadership within the civil service.
- H4 hypothesis, the results show a positive but not statistically significant relationship, with a standardized coefficients beta of 0.092, and Sig.=0.272. This suggests that while an unhealthy work-life balance might contribute to employees citing personal or family reasons for leaving, the effect is not strong enough to be considered significant in this study.
- H5 hypothesis, the analysis demonstrates a significant positive correlation, with a standardized coefficients beta of 0.331, and Sig.=0.000. This finding indicates that unattractive salary and benefits are significantly associated with a poor work-life balance among civil service employees.

The final conceptual framework, as shown in figure no. was finalized by considering the significant hypotheses. This framework visually represents the interplay between the factors influencing attrition and retention strategies, providing a comprehensive model for understanding and addressing the challenges within the civil service.

Figure

Finalized Conceptual and Hypotheses Model



Discussions

Reasons for Leaving the Civil Service

Additionally, the role of management and leadership in the civil service is crucial, as effective leadership is essential for fostering a positive work environment and driving team cohesion and satisfaction. Effective leaders set the tone of the workplace, motivating their teams and ensuring good communication, which is vital for a functional work environment. Conversely, poor management leads to a breakdown in trust and respect, diminishing team cohesion and individual job satisfaction, and often results in mismanaged resources and unmet team needs. This can lead to poor performance and general dissatisfaction among team members, issues that Cummings and Worley (2014) note are exacerbated in the public sector by bureaucratic constraints that can delay the resolution of management problems, thereby negatively impacting overall perception and satisfaction.

One of the findings from the study indicate a complex interplay between salary perceptions and retention in the civil service. While 55.17% of those who left cited “unattractive salary or benefits” as a primary reason for their departure, 36.8% of those who remained noted “adequate salary” as a factor keeping them in service. This suggests that the decision to stay or leave may hinge not only on the absolute level of compensation but also on its perceived adequacy relative to external opportunities. For departing civil servants, salaries and benefits might have seemed less attractive compared to potential alternatives, influencing their decision to seek employment elsewhere. Conversely, those who stayed may

perceive civil service compensation as sufficient relative to their expectations or alternative job prospects. Addressing these perceptions of relative salary attractiveness could be crucial in improving retention strategies and enhancing job satisfaction among civil servants. Compensation plays a critical role in the civil service, where adequate remuneration is essential not only for meeting basic living standards but also as a reflection of how valued employees feel within their organization. Issues such as uncompetitive salaries, insufficient benefits, and lacklustre retirement packages can compel employees to seek better opportunities elsewhere. This situation is often exacerbated by civil service pay structures that are constrained by budgetary limits and public scrutiny, resulting in salaries that lag behind those in the private sector. Such discrepancies can render civil service positions less attractive, particularly for highly skilled professionals. Armstrong and Taylor (2014) emphasize that fair compensation is crucial both for fulfilling basic needs and as a means of recognizing and rewarding employee contributions, suggesting that improving compensation could enhance the retention of skilled staff.

Work-life balance is a crucial factor influencing employee retention, as maintaining a healthy balance between work and personal life is critical for employee well-being. Excessive workloads and inflexible schedules can lead to burnout and health issues, and in many civil service roles, the demands of public accountability and service can exacerbate these challenges, leading to long hours and high stress. Without supportive measures such as flexible working hours or telecommuting options, employees may struggle to sustain a healthy work-life balance, which can push them towards more

flexible job options. Kossek et al. (2011) highlight that organizations supporting better work-life balance tend to achieve higher employee satisfaction and retention rates, underscoring the importance of these measures in maintaining a committed workforce.

Reasons for Staying in the Civil Service

Understanding why civil servants choose to remain in their roles is as crucial as understanding why they leave. In Bhutan, several factors significantly impact civil servants' decisions to stay, each playing a distinct role in fostering employee loyalty and satisfaction.

The most compelling reason civil servants stay is the sense of meaningfulness they find in their work, with a mean score of 3.49 and about 55% affirming that this sense of purpose is key to their continued employment in the civil service. This underscores the importance of meaningful work in promoting employee retention, as supported by recent studies that suggest that job meaningfulness significantly enhances employee engagement and commitment (Grant, 2012). This sense of meaningful work not only improves individual well-being but also strengthens allegiance to the civil service, mirroring findings from global research where job meaningfulness is linked to lower turnover rates (Berg et al., 2013).

Following meaningfulness, good collaboration, and a safe working environment are highly valued, with respective mean scores of 3.23 and 3.13. These findings illustrate the importance of interpersonal relationships and safety at work. Effective teamwork and a supportive atmosphere are known to increase job satisfaction and are essential for long-term employee

retention (Morgeson et al., 2015). Similarly, a safe and secure work environment is crucial as it directly impacts workers' psychological and physical well-being, influencing their decision to stay (Christian et al., 2011).

Furthermore, factors such as seamless onboarding, career advancement, inspiring leadership, competitive salaries, and supportive colleagues also play significant roles. Over 30% of civil servants agreeing on the importance of these aspects highlight a robust link between organizational support, development opportunities, and job retention. These comprehensive support mechanisms are recognized for enhancing job satisfaction and reducing employee turnover (Shuck & Reio, 2014).

However, retirement benefits, recognition, and compensation are less cited as retention factors, with lower mean scores and about 20% agreement. This indicates that while these factors are valued, they are not the primary drivers of retention in Bhutan's civil service. This trend suggests a possible preference for intrinsic motivators over extrinsic rewards, consistent with recent insights from motivational theories that emphasize the primacy of intrinsic factors in job satisfaction (Gagné & Deci, 2014).

Recommendations

Based on the identified reasons for both leaving and staying in the civil service, it is clear that creating an attractive, supportive, and sustainable work environment is crucial. Here are several policy recommendations and strategies that could be implemented to enhance employee retention and satisfaction in the Bhutanese civil service:

Enhance Career Development Opportunities

To address the high turnover attributed to insufficient career advancement opportunities, Bhutanese civil service policies should focus on establishing structured career pathways. This involves transparent communication of career progression opportunities from onboarding throughout an employee's tenure. Additionally, increasing access to professional training and education is crucial to equip civil servants with the necessary skills, thus fostering personal and professional growth. Implementing mentorship programmes can also be beneficial, pairing newer employees with experienced professionals to provide guidance and encourage skill development.

Improve Leadership Quality

Improving the quality of leadership within the civil service is essential. This can be achieved through comprehensive leadership training programmes that focus on developing managerial skills and emotional intelligence. Instituting a system for regular feedback and assessment where civil servants can provide anonymous evaluations of their superiors will help identify areas needing improvement. Furthermore, recognizing and rewarding effective leaders can serve as a motivation for all managers to enhance their leadership practices, setting positive examples across the organization.

Competitive Compensation and Benefits

The civil service should ensure that compensation packages are competitive. This involves regular reviews and adjustments of salaries to keep pace with the private sector and civil services in

other nations. Enhancing retirement benefits and offering flexible benefits packages that can be tailored to individual needs will make civil service positions more attractive, helping retain experienced staff and attracting top talent.

Foster a Positive Work Environment

It is vital to maintain high standards of workplace safety, ensuring that all health and safety policies are current and well communicated. Additionally, promoting work-life balance through flexible working arrangements such as telecommuting and flexible hours can help prevent burnout and support employee well-being. Employee wellness programmes should also be introduced to support not just physical health but also mental and emotional well-being, contributing to a holistic approach to employee satisfaction.

Supportive Work Culture

Creating a supportive work culture involves more than just team-building activities; it requires a continuous effort to promote an inclusive culture where diversity is celebrated and every civil servant feels valued. Implementing effective conflict resolution frameworks will help manage and mitigate disputes, ensuring a harmonious work environment. These initiatives should be complemented by regular team-building activities that enhance collaboration and improve morale.

By strategically addressing these areas, the Bhutanese civil service can significantly enhance its attractiveness as an employer and improve the retention of its skilled workforce. Implementing these recommendations will create a more

robust and motivated civil service that can effectively meet the challenges of public service delivery.

Conclusion

The comprehensive analysis of the factors influencing civil servants' decisions to leave or stay in the Bhutanese civil service provides valuable insights into the dynamics of employee satisfaction and retention within this critical sector. The primary reasons identified for leaving include lack of career development opportunities, poor management, and inadequate compensation, highlighting areas where targeted interventions are needed. Conversely, the main factors that retain civil servants are the sense of meaningful work, good collaboration, and a safe working environment, which underline the importance of intrinsic job satisfaction elements over extrinsic rewards.

Based on these findings, several strategic recommendations have been proposed to enhance the working conditions and satisfaction levels of Bhutanese civil servants. These include implementing structured career development opportunities, improving leadership quality through training and feedback, ensuring competitive compensation, fostering a positive and safe work environment, supporting a culture of inclusiveness and teamwork, and maintaining transparent communication and feedback mechanisms.

By focusing on these strategic areas, the Bhutanese civil service can not only enhance its attractiveness as an employer but also significantly improve the retention of its valuable human resources. Such improvements are essential for building a resilient and effective civil service capable of meeting the

demands of public service delivery and supporting the nation's development goals. Ultimately, the successful implementation of these recommendations will contribute to a more motivated, committed, and satisfied civil service workforce, thereby strengthening the overall governance and administrative capabilities of Bhutan.

References

- Armstrong, M., & Taylor, S. (2014). *Armstrong's handbook of human resource management practice*. Kogan Page Publishers.
- Blackman, D., O'Flynn, J., & Mishra, D. P. (2010). Can strategic human resource management enable gross national happiness? *International Journal of Commerce and Management*, 20(3), 232-245.
- Basariya, R.B. & Ahmed, R.R. (2019). A Study on attrition-turnover intentions of employees. *International Journal of Civil Engineering and Technology*, 10(1), 2594–2601,
- Berg, J. M., Grant, A. M., & Johnson, V. (2013). When callings are calling: crafting work and leisure in pursuit of unanswered occupational callings. *Organization Science*, 24(5), 1389-1413.
- Christian, M. S., Bradley, J. C., Wallace, J. C., & Burke, M. J. (2011). Workplace safety: A meta-analysis of the roles of person and situation factors. *Journal of Applied Psychology*, 96(5): 1103-1113.
- Cummings, T. G., & Worley, C. G. (2014). *Organization development and change*. Cengage Learning. Cengage Learning, Boston, MA.

- Das, D. T. (2012). Key factors and challenges for retention of employees in a public sector telecom enterprise: A case study of Mahanagar Telephone Nigam Limited, Delhi. *AIMA-Journal for Management & Research*, 6(2/4).
- Gagné, M., & Deci, E. L. (2014). *The Oxford handbook of work engagement, motivation, and self-determination theory*. Oxford University Press.
- Goswami, B. K., & Jha, S. (2012). Attrition issues and retention challenges of employees. *International Journal of Scientific & Engineering Research*, 3(4), 1-6.
- Grant, A. M. (2012). Leading with meaning: Beneficiary contact, prosocial impact, and the performance effects of transformational leadership. *Academy of Management Journal*, 55(2), 458-476.
- Guru Vignesh Sridhar, Sarojini Venugopal, & S Vetrivel. (2018). Employee attrition and employee retention-challenges & suggestions. Conference paper: International conference on economic transformation with inclusive growth, 2018. Chennai
- Hong, E. N. C., Hao, L. Z., Kumar, R., Ramendran, C., & Kadiresan, V. (2016). An effectiveness of human resource management practices on employee retention in institute of higher learning: A regression analysis. *International Journal of Business Research and Management*, 7(2), 1-14.
- Kanteh, L., & Gibba, A. (2012). A study on employee attrition in public and private institutions in the Gambia, 2007–2017. *Arabian Journal of Business and A Management Review*, 9 (377).

- Kelliher, C., & Anderson, D. (2010). Doing more with less? Flexible working practices and the intensification of work. *Human Relations*, 63(1), 83-106.
- Kossek, E. E., Baltes, B. B., & Matthews, R. A. (2011). How work-family research can finally have an impact in organizations. *Industrial and Organizational Psychology*, 4(3), 352-369.
- Kubota, A., & Zangmo, T. (2021). Reforming Bhutan's civil service: Towards a future ready government. UNDP. <https://www.undp.org/bhutan/news/reforming-bhutans-civil-service-towards-future-ready-government>
- Morgeson, F. P., Mitchell, T. R., & Liu, D. (2015). Event system theory: An event-oriented approach to the organizational sciences. *Academy of Management Review*, 40(4), 515-537.
- Nyhan, R. C. (2000). Changing the paradigm: Trust and its role in public sector organizations. *American Review of Public Administration*, 30(1), 87-109.
- Royal Civil Service Commission. (2024a). *Annual report, July 2019-April 2024*. <https://www.rcsc.gov.bt/wp-content/uploads/2024/04/CONSOLIDATED-REPORT-2019-202.pdf>
- Royal Civil Service Commission. (2024b). *Annual report, July 2022-June 2023*. <https://www.rcsc.gov.bt/wp-content/uploads/2023/08/ANNUAL-REPORT-22-23.pdf>
- Sze, J., Downe, A. G., & Loke, S.-P. (2010, March 30). Employee Attrition in the Malaysian Service Industry: Push and Pull Factors. *The IUP Journal of Organizational Behavior*, 9(1& 2), 16-31,
- Shuck, B., & Reio, T. G., Jr. (2014). Employee engagement and well-being: A moderation model and implications for

practice. *Journal of Leadership & Organizational Studies*, 21(1): 43-58.

McKinsey (n.d.). The Great attrition: Wanting the best, keeping the worst. McKinsey & Company. <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/the-organization-blog/the-great-attrition-wanting-the-best-keeping-the-worst>

Yiu, L., & Saner, R. (2014). Talent attrition and retention: Strategic challenges for Indian industries in the next decade. *Elite Research Journal of Accounting and Business Management*, 2(1), 1- 9