

## Burnout in Suspension: Navigating the Waters of Performance Appraisal and Employee Retention in Private Colleges and Universities

Chunping Huang<sup>1</sup>, Xin Zhu<sup>2</sup>, Dongqing Lu<sup>3</sup>, Feihan Sun<sup>4\*</sup>

<sup>1</sup> Jiangsu Vocational College of Business, Nantong 226011, Jiangsu, China

<sup>2</sup> Valaya Alongkorn Rajabhat University under the Royal Patronage, Pathum Thani 13180, Thailand

<sup>3</sup> Hebi Institute of Engineering and Technology, Henan Polytechnic University, Hebi 458030, Henan, China

<sup>4</sup> Zhejiang College of Security Technology, Wenzhou 325016, Zhejiang, China

\*Corresponding author: Feihan Sun, E-mail: 591281891@qq.com

**Abstract:** With the continuous advancement of Chinese-style modernization and the rapid development of higher education in China, private colleges and universities are facing serious teacher management challenges beneath the Chinese sense of suspended life. Based on burnout theory, this study explores the mechanism of performance appraisal on employee retention in private colleges and universities, focusing on the mediating role of compensation and benefits and employee empowerment. In this study, a questionnaire survey was conducted among 350 teachers in five private universities, and 270 valid samples were obtained. Descriptive statistics, correlation analysis and structural equation modeling (SEM) analysis were conducted using ADANCO software. It was found that: a) performance appraisal has a significant direct positive effect on employee retention; b) compensation and benefits play a partially mediating role between performance appraisal and employee retention, and reduce the risk of burnout by increasing teachers' sense of identification with and suspension to the organization; and c) employee empowerment plays a partially mediating role between performance appraisal and employee retention, and prevents burnout by enhancing teachers' sense of self-efficacy and job resources. This study provides three recommendations for private colleges and universities: optimize the performance appraisal system, improve compensation and benefit packages, and enhance employee empowerment management as a way to prevent teacher suspension burnout and improve employee retention. The findings enrich the theoretical framework of the relationship between performance appraisal and employee retention, and provide a theoretical basis for human resource management practices in private colleges and universities under suspension era.

**Keywords:** Involution; Compensation and benefits; Employee empowerment; Burnout; Anti-involution

### 1. 1. Introduction

As Chinese-style modernization enters a new era, China's higher education system has undergone unprecedented change and development. In this context, private higher education institutions have played an irreplaceable role in expanding the supply of educational resources and meeting diversified educational needs. Navigating the waters of this complex educational landscape, private colleges and universities have demonstrated their unique capabilities in addressing the challenges and opportunities presented by the evolving educational environment. As of June 2024, there were a total of 799 private higher education institutions nationwide, with the number of enrolled students reaching nearly 5 million, accounting for 22.3% of the total number of enrolled students in higher education. However, along with rapid development, private colleges and universities are also facing serious challenges in teacher management.

Compared with public colleges and universities, private colleges and universities still have obvious shortcomings in terms of operating funds, teaching resources, and social reputation. These structural disadvantages directly affect their talent attractiveness and employee retention [1]. Data show that the average annual turnover rate of teachers in private colleges and universities is as high as 15%, which is much higher than the level of 3-5% in public colleges and universities. Among them, the attrition of key teachers with high educational background and

rich teaching experience is particularly prominent [2]. The continuous loss of high-quality talents not only affects the quality of education and teaching, but also weakens the school's research and innovation ability and brand building, forming a vicious cycle that ultimately restricts the sustainable development of private universities.

The root causes of the brain drain phenomenon in private colleges and universities are often related to factors at multiple levels when analyzed in depth. Existing studies have shown that teachers' willingness to stay is influenced by a combination of multiple factors such as organizational management practices, work environment, and development opportunities [3]. Among them, performance appraisal, as a key link connecting organizational goals and personal development, has a profound impact on teachers' work attitudes, career planning and organizational identity. A scientific and reasonable performance appraisal system can not only stimulate teachers' enthusiasm for work, but also provide a clear direction for their career development, thus enhancing the willingness to stay [4]. However, current academic research on the relationship between performance appraisal and employee retention is mostly focused on the corporate sector, with less attention paid to the education industry, especially the special scenario of private colleges and universities.

In addition to performance appraisal, compensation and benefits and employee empowerment have been recognized as important factors influencing employee retention. A competitive compensation and benefits system can satisfy teachers' material needs and enhance their job satisfaction and organizational loyalty [5]. Meanwhile, adequate employee empowerment can stimulate teachers' sense of ownership and promote their long-term stable relationship with the organization by enhancing job autonomy and participation in decision-making [6]. However, the interaction mechanism between these three elements, especially the role of the relationship in the specific context of private universities, has not yet been systematically theoretically explored and empirically verified.

Based on this, this study focuses on the mechanism of performance appraisal's influence on employee retention based on the institutional context and organizational characteristics of private colleges and universities, and focuses on the mediating roles of compensation and benefits and employee empowerment. Through a questionnaire survey of teachers in several private universities, this study seeks to reveal how performance appraisal affects teachers' retention decisions through the two paths of compensation and benefits and employee empowerment. The results of the study will provide theoretical basis and practical guidance for private universities to optimize their talent management strategies and improve employee retention rates, which will help them achieve sustainable development in the increasingly fierce competition in higher education.

## **2. Literature review and theoretical hypotheses**

### **2.1 Performance appraisal and employee retention**

Performance appraisal (PA), as a core component of the human resource management system, exhibits a significant and decisive impact on teachers' intention to stay in the profession. Performance appraisal refers to the organization's systematic evaluation of teachers' performance, which usually includes goal attainment, quality of task completion, and behavioral performance. It is an important tool for measuring teachers' contributions and providing a basis for individual development plans and compensation adjustments. Recent research evidence suggests that a set of scientifically sound performance appraisal mechanisms can significantly increase teachers' job satisfaction and deepen their loyalty to the organization [7].

Employee retention (ER) refers to the practice of companies to reduce teacher turnover and enhance organizational stability through measures such as optimizing the work environment, providing career development opportunities, and competitive compensation. Specifically, when teachers personally perceive the fairness and transparency of the performance appraisal process, their willingness to stay in the profession tends to be significantly enhanced [8]. In addition, regular performance feedback helps teachers clarify their career paths, thereby enhancing their connection to the organization [9].

However, from the analytical framework of burnout theory, we can find that inappropriate performance appraisal practices are highly likely to trigger teacher suspended burnout syndrome, whose typical symptoms include Emotional Exhaustion, Depersonalization performance, and Reduced Personal Accomplishment [10]. Especially when performance appraisals become too frequent or stressful, this negative work experience tends to exacerbate teachers' psychological burdens, which induces burnout and ultimately leads to a significant rise in teachers' intention to leave [11].

The performance appraisal system, as a core mechanism of organizational management, influences teachers' willingness to stay through multiple paths. First, from the perspective of Social Exchange Theory, a fair and transparent performance appraisal reflects the organization's attention and respect for teachers, and can stimulate teachers' sense of organizational identity and reciprocal behavior [12]. Secondly, based on Signaling Theory (ST), standardized performance appraisal sends a signal to teachers that the organization values talent development, which helps to enhance teachers' confidence in career development (Wang & Chen, 2018).

In addition, from the perspective of burnout theory, rational performance appraisal can prevent burnout by reducing teachers' role ambiguity and job stress by setting clear goal expectations and providing timely feedback support [13]. Based on the above theoretical analysis, it is proposed:

### **H1: Performance appraisals have a positive impact on employee retention**

#### **2.2 The mediating role of compensation and benefits**

Compensation and Benefits (CB) refers to a package that includes teachers' base salaries, bonuses, equity incentives, paid vacations, and health insurance. Good compensation and benefit design helps to attract and retain talented people, while enhancing teacher satisfaction and sense of belonging. Performance appraisal results are usually closely related to compensation and benefit decisions. Studies have found that performance-based compensation systems can motivate teachers to improve their job performance (Wang & Chen, 2018). Reasonable compensation packages not only meet teachers' basic needs, but also enhance their work motivation and organizational loyalty [14]. Meanwhile, a competitive compensation package is a key factor in retaining core talent [15]

From a burnout theory perspective, adequate compensation packages can alleviate teacher burnout. Research has shown that teachers are prone to emotional exhaustion and burnout when they perceive a mismatch between what they give and what they get in return [16]. Adequate compensation packages not only fulfill teachers' material needs, but also provide psychological support and reduce the risk of burnout [12].

Expectancy Theory (ET) states that teachers are motivated by the perception of an effort-performance-compensation chain. Effective performance appraisal can strengthen this motivational chain by clarifying the relationship between effort and performance, and the link between performance and compensation benefits [14]. Meanwhile, based on Organizational Support Theory (OST), linking performance appraisal to compensation and benefits reflects the organization's recognition and appreciation of teachers' contributions [15]. Therefore it is proposed:

### **H2: Performance appraisals have a positive impact on compensation and benefits**

From Maslow's Hierarchy of Needs theory, a reasonable compensation package not only satisfies teachers' basic physiological and safety needs, but also promotes the satisfaction of higher needs through recognition and respect. Equity Theory (ET) further suggests that competitive compensation packages enhance teachers' perceptions of organizational fairness and reduce the propensity to leave [16]. From the Burnout Theory perspective, adequate compensation packages serve as important job resources that can alleviate the stress associated with job demands and reduce the risk of burnout. Accordingly, it is proposed:

### **H3: Compensation and benefits have a positive impact on employee retention**

Based on the Job Demands-Resources Model (JDRM), performance appraisals may be both job demands and job resources. A proper compensation and benefits system can strengthen the resource attributes of performance appraisals and weaken their requirement attributes, thereby promoting employee retention [17]. Thus it is proposed:

### **H6: Compensation and benefits mediate between performance appraisal and employee retention**

#### **2.3 The mediating role of employee empowerment**

Employee empowerment is an important concept in modern management theory. It refers to encouraging teachers to take initiative and responsibility in their work by giving them more decision-making power and autonomy. This practice usually enhances teachers' creativity, dedication and loyalty to the organization. Research has shown that two-way communication and participation mechanisms in the performance appraisal process help to enhance teachers' autonomy and decision-making power [18]. When teachers are provided with more job autonomy and development opportunities, their job satisfaction and willingness to stay in the profession increase significantly [19]. Empowerment management can stimulate teachers' sense of ownership and enhance their sense of belonging to the organization [20].

In terms of burnout theory, employee empowerment can be effective in preventing and mitigating burnout. Research has found that lack of job autonomy and participation in decision-making are important factors contributing to burnout [21]. Empowerment management can significantly reduce the risk of burnout and enhance work engagement by increasing teachers' sense of job control and self-efficacy [17].

Self-Determination Theory (SDT) emphasizes that people have basic psychological needs to seek autonomy, competence, and relatedness. Participatory performance appraisal can fulfill these basic needs by facilitating two-way communication and clarifying development directions [18]. From an Empowerment Theory (ET) perspective, effective performance appraisals can enhance teachers' levels of psychological empowerment by providing information, resources, and support. Hence it is proposed:

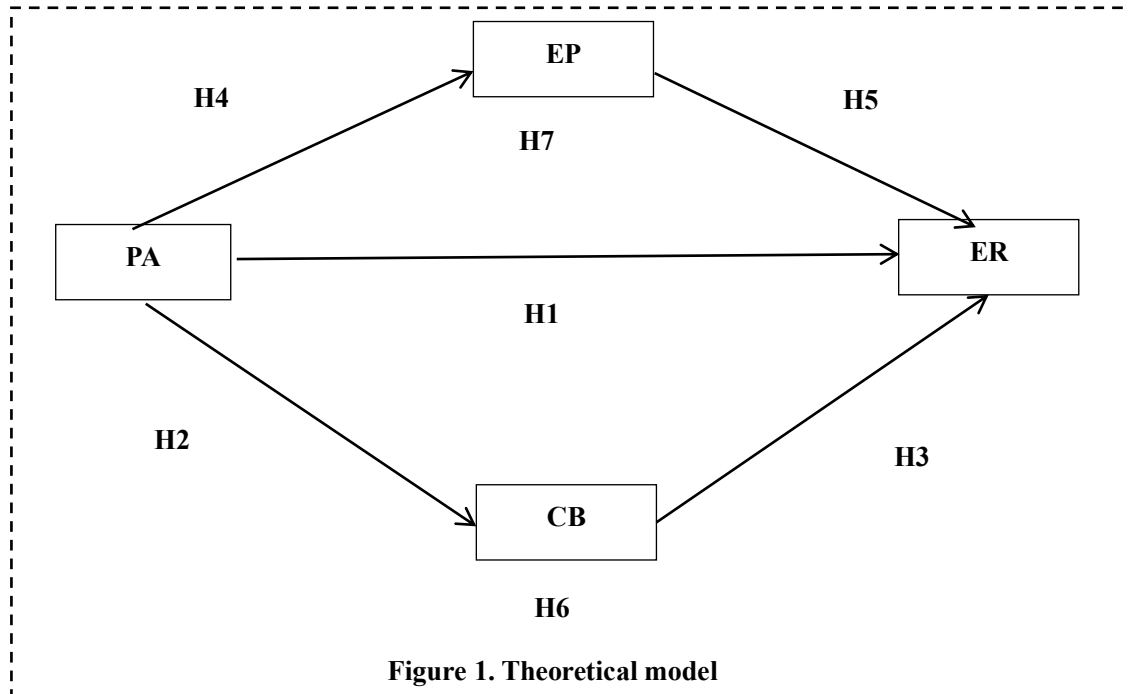
### **H4: Performance appraisal has a positive impact on employee empowerment**

According to Job Characteristics Theory (JCT), empowerment enhances teachers' intrinsic motivation and job satisfaction by increasing the autonomy, integrity, and importance of their work [21]. Meanwhile, Conservation of Resources Theory (CART) states that empowered teachers are more likely to access and conserve job resources, reducing the risk of resource depletion and burnout. Accordingly, it is proposed that:

### **H5: Employee empowerment has a positive impact on employee retention**

Social Cognitive Theory (SCT) emphasizes the important influence of self-efficacy on individual behavior. Performance appraisal enhances teachers' self-efficacy through empowerment management, which in turn enhances their willingness to stay in the profession [19]. In particular, from the perspective of burnout theory, burnout often stems from a chronic imbalance between job demands and personal resources. Empowerment can effectively prevent and alleviate burnout by increasing teachers' psychological and work resources. Research has shown that teachers who are fully empowered exhibit lower Emotional Exhaustion, higher Personal Accomplishment, and stronger organizational identification (Chang et al., 2022). Based on these analyses, this study argues that employee empowerment plays an important mediating role in the process by which performance assessment affects employee retention. Specifically, performance appraisal enhances teachers' self-efficacy and job resources by increasing the level of psychological empowerment, reduces the risk of burnout, and ultimately promotes employee retention. It is therefore proposed:

**H7: Employee empowerment mediates between performance appraisal and employee retention**



**Figure 1. Theoretical model**

In this article, we constructed a theoretical model of "performance appraisal-compensation and benefits/employee empowerment-employee retention" by integrating several theoretical perspectives, including burnout theory, social exchange theory, hierarchy of needs theory, and self-determination theory (see **Figure 1**). The model not only explores the direct effect, but also pays attention to two important mediating mechanisms, namely, compensation and benefits and employee empowerment, which helps to deeply understand the mechanism of performance appraisal affecting employee retention. The findings will provide theoretical guidance and practical insights for organizations to optimize their talent management practices.

### 3. Methodology

#### 3.1 Sample

This study was conducted on the teaching faculty of five private colleges and universities in China, including lecturers, assistant professors, associate professors and professors of different ranks. In order to ensure the representativeness and comprehensiveness of the sample, the study used stratified random sampling method, based on the dimensions of college affiliation, title level and years of working experience. Among the 350 questionnaires distributed, 270 valid questionnaires were finally obtained after screening out invalid questionnaires such as incomplete, sloppy answers and patterned choices, with an effective recovery rate of 77%.

#### 3.2 Data collection

After optimizing the questionnaire based on the results of the pre-survey, this study used a combination of online (Wenjuanxing platform) and offline (paper questionnaire) to conduct the formal survey. The data collection period was from September to December 2024, and the quality of questionnaires was ensured through regular follow-ups and reminders. The LMX-5 scale developed by Liden and Maslyn (1998) was used as the measurement tool for the study, which consists of the following two main sections (**Table 1**): basic information about the respondents; and measurement of the core variables, including performance appraisal (5 items), compensation and benefits (5 items), employee empowerment (5 items), and employee retention (5 items).

The scale was scored on a five-point Likert scale (1=strongly disagree, 5=strongly agree). The questionnaires were mainly distributed in the office areas of the faculty members, such as offices, teaching and research sections, etc. After the completion of data collection, the research team strictly screened the raw data, eliminated 80 invalid questionnaires, and entered the valid data into ADANCO software for subsequent analysis.

### 3.3 Measurement of variables

The data collected in this study were systematically analyzed using ADANCO statistical software, including: model fit analysis; exploratory factor analysis; path analysis; reliability and validity test; mediation effect test; and outcome analysis. The standardized LMX-5 scale was used for the study, and the sample items of the scale included: "The quality of work is an important indicator for evaluating my work performance", "I am satisfied with the current performance appraisal system", etc. All the instruments and scales were validated. All instruments and scales were validated to ensure the reliability and scientific validity of the study results.

**Table 1 Variable measurement**

Variant	Item	Source
PA	1. The quality of my work is an important indicator for evaluating my performance.	(Kumudha & Harsha, 2016; Tangthong, Trimetsoontorn, & Rojniruntikul, 2014)
	2. I will receive regular feedback on my performance.	
	3. I am satisfied with the existing performance appraisal system.	
	4. The school conducts periodic performance ratings.	
	5. performance ratings help identify my strengths and weaknesses.	
CB	1. I'm happy with what I'm getting paid.	(Adekoya et al., 2021; Bibi, Ahmad, & Majid, 2018; Kakar, Raziq, & Khan, 2015)
	2. I am paid more than people doing similar work in other organizations.	
	3. My paycheck gives me more incentive to provide higher quality work.	
	4. Improvements I make to my work will be rewarded accordingly.	
	5. I get better non-cash benefits than other organizations.	
EP	1. I have the opportunity to decide how to do the job.	(Bergquist, 2018; Li et al., 2010)
	2. I have the right to do what is right without seeking approval.	
	3. My job makes good use of my skills and abilities.	
	4. I can decide on the implementation of teaching and research.	
	5. I believe I am providing my colleagues with the autonomy they need.	
ER	1. I am prepared to put in a great deal of effort beyond what is normally expected to drive the success of this organization.	(Hamadamin & Atan, 2019; Yesufu, 2020; Beijer et al., 2021)
	2. I am committed to developing my career in this organization.	
	3. I am very loyal to this organization.	
	4. This organization is a great fit for my career goals.	
	5. This organization is one that I would gladly recommend to my job-seeking friends.	

## 4. Findings

### 4.1 Goodness of Fit

This study utilized ADANCO software to analyze the relationship between the variables. Table 2 shows the total model fit with SRMR saturated model, which is less than 0.08, indicating that the empirical data fit the model well.

**Table 2 Total model fit**

Parameters	Saturated model
	Value
SRMR	0.0729

### 4.2 Reliability and Validity

The  $\alpha$  value of 0.7 or more indicates good reliability, and Table 3 shows that the PA is 0.8071, the EP is 0.8099, the CB is 0.8344, and the ER is 0.8669, all of which are greater than 0.7, indicating good reliability.

**Table 3 Reliability**

Construct	Cronbach's alpha ( $\alpha$ )
PA	0.8071
EP	0.8099
CB	0.8344
ER	0.8669

AVE value of 0.5 or more indicates good validity, and Table 4 shows that the PA is 0.6798, the EP is 0.5974, the CB is 0.5718, and the ER is 0.6834, all of which are greater than 0.5, which indicates good validity.

**Table 4 Validity**

Construct	Average variance extracted (AVE)
PA	0.6798
EP	0.5974
CB	0.5718
ER	0.6834

### 4.3 Measurement Model

The overall model fit proves the validity of the relationship in this model. The significance of the weights was judged by the t-value of the weights being greater than 1.96. As shown in Table 5:

**Table 5 Measurement Model**

Indicator	Model B			
	Loading	Weight	t-statistic of weight	VIF
EP2	0.5532	0.0116	0.0967	1.4392
EP3	0.8356	0.3523	2.2389	1.9542
EP4	0.7637	0.2668	1.6917	1.7392
EP5	0.9399	0.5272	2.5530	2.4867
CB1	0.9495	0.6569	5.6977	2.2939
CB2	0.5791	0.0241	0.2724	1.5919
CB4	0.8399	0.3626	3.4804	2.0913
CB5	0.7336	0.0787	0.9942	2.0954
PA1	0.9229	0.4320	4.4050	2.7128
PA2	0.8060	0.0737	0.6245	2.6952

PA3	0.9179	0.1140	0.4642	6.1540
PA4	0.8982	0.2105	1.1881	4.3027
PA5	0.9294	0.2671	1.2497	6.0360
ER1	0.8110	0.2615	1.5065	2.7723
ER2	0.7527	0.0762	0.4283	2.6489
ER5	0.9710	0.7523	6.7779	1.8739

The VIF values for the multicollinearity problem should all be less than 3.3. In this study, it was decided to delete all the indicators with VIF values greater than 3.3 - PA3, PA4, and PA5 - in order to prevent the occurrence of multicollinearity and to control the common method bias. After deleting PA3, PA4, and PA5, the data were reanalyzed with EP2 deleted, and the metrics shown in Table 6 are the results after deletion according to the above criteria.

Table 6 Measurement Model of CCA

Indicator	Model B			
	Loading	Weight	t-statistic of weight	VIF
EP3	0.8506	0.3896	2.8977	1.8530
EP4	0.7516	0.2528	1.6795	1.6640
EP5	0.9353	0.5117	2.6471	2.4504
CB1	0.9581	0.6955	5.9800	2.2939
CB2	0.5749	0.0092	0.1090	1.5919
CB4	0.8240	0.3248	2.7222	2.0913
CB5	0.7297	0.0831	0.9792	2.0954
PA1	0.9671	0.7334	8.4474	1.8440
PA2	0.8416	0.3455	3.8882	1.8440
ER1	0.7985	0.2002	1.1217	2.7723
ER2	0.7681	0.1366	0.7667	2.6489
ER5	0.9727	0.7558	7.0880	1.8739

#### 4.4 Structural Model

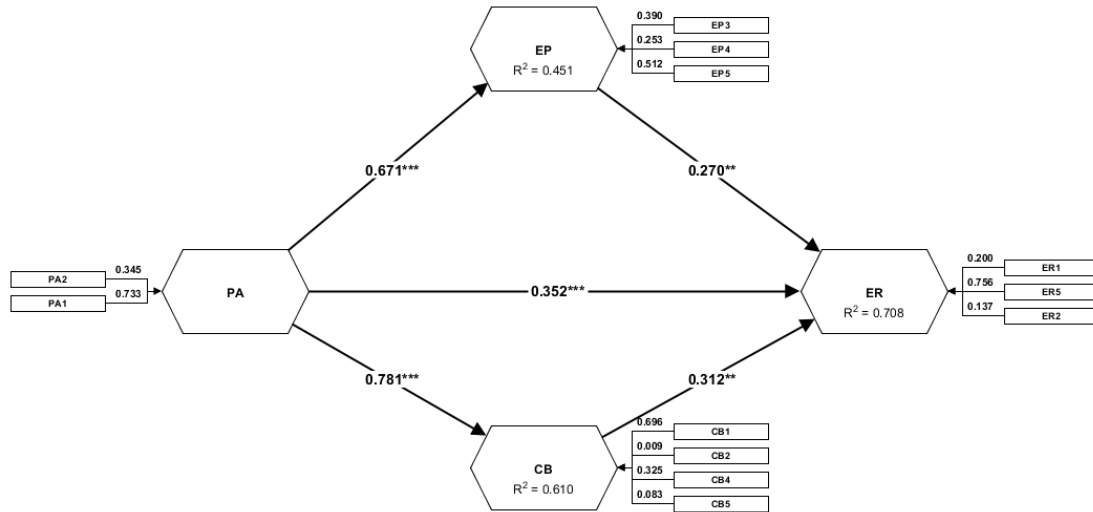
This study investigated five hypotheses using t-values, p-values,  $f^2$ ,  $R^2$ . According to Cohen's (1988) criterion, a decision coefficient greater than 0.26 is considered a large effect. In Figure 2, the CB, EP and ER decidable coefficients are 0.610, 0.451 and 0.708 respectively, which are all greater than 0.26. From this, it can be seen that the model constructed in this paper has a medium to large effect and the model fit is good. The P-values of all hypotheses in Table 6 are lower than 0.05, indicating that all hypotheses can be tested and the hypotheses are valid.

Table 7 shows that the Cohen's  $f^2$  values for all hypotheses are 0.1504, 1.5627, 0.1150, 0.8210, and 0.1211, respectively, and Cohen's  $f^2$  should be greater than 0.02, and if it is more than 0.35, then it belongs to the effect of large effect (Cohen 1988). Hypotheses 2 and 4 have large effect sizes, and hypotheses 1, 3 and 5 have medium effect sizes.

Table 7 The Hypothesis

The effect	Beta	Standard error	t-value	p-value	Cohen's $f^2$	Hypothesis
PA -> ER	0.3519	0.1005	3.4999	0.0000	0.1504	Supported
PA -> CB	0.7809	0.0387	20.2028	0.0000	1.5627	Supported
CB -> ER	0.3121	0.1106	2.8203	0.0024	0.1150	Supported
PA -> EP	0.6715	0.0984	6.8221	0.0000	0.8210	Supported
EP -> ER	0.2700	0.0973	2.7744	0.0028	0.1211	Supported

The following figure 2 shows the results of a structural modeling study of pay performance and employee retention mediated by employee empowerment and pay and benefits.



Notes: N = 270, \*p < 0.05, \*\*p < 0.01, \*\*\*p < 0.001

Figure 2 Results of model

#### 4.5 Indirect Effect Study

As can be seen in Table 5 and Figure 2, the indirect effect index of hypothesis 6 is 0.2437 ( $0.781 \times 0.312$ ), with a p-value of  $0.0000 < 0.05$ , which indicates that hypothesis 6 is valid, and that there is a mediating moderating effect of compensation and benefits between PA and ER. The indirect effect index of hypothesis 7 is 0.1812 ( $0.671 \times 0.270$ ), with a p-value of  $0.0000 < 0.05$ , indicating that hypothesis 7 is valid and that there is a mediating moderating effect of employee empowerment between PA and ER.

#### 4.6 Results

Performance appraisal has a significant positive impact on employee retention. This effect is mainly reflected in the following aspects: first, a fair and effective performance appraisal system can enhance teachers' motivation and career satisfaction; second, when teachers feel that their efforts and contributions are recognized by the organization, their willingness to stay will be significantly increased; third, through the systematic performance appraisal, the organization is able to accurately identify the core talent, so as to formulate a personalized career development plan for them, which further strengthens the retention tendency. strengthen the tendency to stay in the organization.

There is a significant positive impact of performance appraisal on pay and benefits. This association is mainly realized through the following mechanisms: the establishment of a differentiated performance-based pay system, which enables high-performing teachers to receive material rewards commensurate with their contributions; the formation of a clear performance-pay linkage mechanism, which enhances the fairness and transparency of pay management; and the indirect enhancement of the level of teachers' pay and benefits through the influence of performance appraisal on their career development trajectory (e.g., opportunities for advancement).

Compensation and benefits are one of the key factors affecting employee retention. Based on Maslow's hierarchy of needs theory, reasonable material and non-material incentives can satisfy teachers' multi-level needs. Specifically, a competitive compensationsystem can help reduce teacher turnover; a fair and reasonable benefit

structure enhances teachers' sense of organizational identity; and generous treatment reflects the organization's recognition of teachers' value and promotes the enhancement of organizational loyalty.

Performance appraisals have a significant direct positive impact on employee empowerment. Performance appraisals set clear goals and expectations for teachers, allowing them to understand the priorities and key indicators of their work. On this basis, teachers are able to manage their responsibilities more confidently and achieve more efficient autonomous decision-making. Through performance appraisals, teachers receive targeted feedback on their strengths and room for improvement. This feedback provides teachers with opportunities to grow and become better equipped to take on more responsibilities, thus achieving empowerment. Transparency and fairness in the performance appraisal process enhances teachers' trust in management. When teachers feel that the organization values their performance and potential, they are more willing to take on greater responsibility and participate in organizational affairs on their own initiative.

Employee empowerment has a significant direct positive effect on employee retention. An overly centralized work environment can lead to cumbersome work processes, and reporting at different levels can sometimes lead to missing the best time to make decisions, which can reduce teachers' motivation and lead to teacher turnover. Empowering teachers to feel trusted and valued will increase their job satisfaction and sense of accomplishment, and stimulate their intrinsic motivation, which will affect whether they will continue to work for the company. Empowerment is often accompanied by more learning and practicing opportunities, and teachers are able to improve their skills and abilities while taking on more responsibilities. Improved career prospects make teachers more willing to stay and grow in the organization.

Performance appraisal has an indirect impact on employee retention, with compensation and benefits playing a mediating role. Translating teachers' efforts into tangible rewards (e.g., compensation increases, benefit enhancements) through fair, transparent and positive performance appraisals enhances teachers' trust in the organization and strengthens their sense of value and motivation at work. If the results of performance appraisals are fair and reasonable, teachers may be more likely to feel respected and thus have a positive attitude toward changes in compensation and benefits. Compensation packages demonstrate the value placed on high-performing teachers and motivate their willingness to stay on for the long term.

Performance appraisal has an indirect impact on employee retention, with employee empowerment playing a mediating role. Teachers' motivation and organizational identity are enhanced through the provision of performance feedback, recognition and development advice. Corporate trust and empowerment of teachers, as reflected in the results of sound performance appraisals, will enhance teachers' self-responsibility and engagement. A high level of employee empowerment enhances teachers' sense of responsibility and belonging to the organization, which indirectly increases retention rates.

## 5. Conclusions

### 5.1 Discussion

Through 270 questionnaire surveys of teaching faculty in five private universities in China, this study systematically explores the pathways through which performance appraisal in private universities affects employee retention, and deeply analyzes the mediating roles played by compensation and benefits and employee empowerment in this process. The core contribution of this study is to highlight how the level of performance appraisal in Chinese private universities profoundly affects employee retention.

This study reveals several key findings, the primary and significant result is that there is a strong positive correlation between performance appraisal and compensation and benefits, employee empowerment and employee retention in private universities. This finding reveals that Chinese private higher education institutions with high levels of performance appraisal tend to have higher levels of compensation and benefits, and are able

to give teachers more decision-making power and autonomy in their work, encouraging them to take the initiative and participate in their work, which leads to better retention of teachers and lower teacher turnover.

Further, our study shows that there is also a strong positive correlation between compensation and benefits, employee empowerment and employee retention, respectively. This suggests that the higher the level of compensation and benefits in private universities, the better they are able to retain their teachers; private universities that are willing to empower their teachers more have teachers who have more freedom to work and are more willing to stay.

Particularly noteworthy is that this study also reveals the partial mediating role of compensation and benefits, and employee empowerment between performance assessment and employee retention. This means that colleges and universities with high levels of performance assessment not only directly increase the retention of teachers in private colleges and universities through systematic and scientific evaluations of teachers' performance, but also indirectly positively influence the retention of teachers in private colleges and universities through improved compensation and benefits and high levels of employee empowerment. The existence of these two mediating mechanisms provides more favorable evidence for a deeper understanding of how performance appraisal affects employee retention in multiple levels and dimensions.

### **5.2 Theoretical and practical implications**

This study makes three contributions at the theoretical level: first, by introducing burnout theory into the study of higher education work environment, it expands the scope of application of the theory and enriches the theoretical system of performance appraisal in private colleges and universities. Second, the innovative introduction of compensation and benefits and employee empowerment as mediating variables deepens the understanding of the relationship between performance appraisal and employee retention, and builds a more complete theoretical framework. Finally, in view of the unique market-oriented characteristics of private universities and the unique pressures faced by their teacher groups, this study breaks through the traditional economic salary-oriented research model and establishes a performance appraisal-retention correlation research framework, which fills the theoretical gaps in the related fields.

At the practical level, this study provides important insights for human resource management in private universities: managers should recognize the central role of performance appraisal in employee retention, and enhance teachers' sense of belonging to the organization by optimizing the compensation and benefit system and strengthening employee empowerment. Specifically, private colleges and universities can: build a scientific performance appraisal system to avoid teacher burnout; improve the compensation and benefit system to enhance teachers' career satisfaction; and promote employee empowerment to cultivate a stable and efficient teaching team.

These findings not only provide practical human resource management strategies for private universities in China, but also offer useful lessons for private higher education institutions in other developing countries. The implementation of these management measures will help private higher education institutions to reduce teacher turnover and improve the quality of teaching and social reputation.

### **5.3 Limitations**

First, there are limitations in terms of sample representativeness. The study only selected five private universities in China as the sample source, failing to cover private higher education institutions nationwide, which to a certain extent affects the generalizability of the study's conclusions.

Second, data collection is overly reliant on self-reporting by respondents, which may lead to common methodological biases due to memory bias, social desirability effects, and other factors that affect the objectivity of the data.

Third, during the data analysis process, some of the less relevant performance assessment questions were deleted to improve the quality of the indicators, reflecting that there is room for optimization of the questionnaire design.

Finally, although the decidable coefficient of employee retention is in the acceptable range, it suggests that the model may have missed some important influences, which suggests that future research needs to incorporate more relevant variables in order to enhance the explanatory power of the model.

#### **5.4 Future prospect**

First, it is recommended that the geographic coverage of the study be expanded to include more domestic and international private higher education institutions in the sample pool to enhance the universality and representativeness of the findings. Comparative studies across geographies and institutions can lead to a better understanding of the relationship between performance appraisal and faculty retention in different contexts.

Second, a shift to a longitudinal research design was made to explore in depth the dynamic process of the impact of performance appraisal on employee retention through longitudinal tracking and observation. This design approach helps establish a more reliable chain of causality and provides more convincing empirical evidence.

Further, more potential mediating and moderating variables are explored, such as at the organizational level (recruitment mechanism, training system) and at the individual level (mental health status, career development expectations). By constructing a more complex theoretical model, a more comprehensive explanation of the mechanism of action by which performance appraisal affects employee retention can be provided.

Finally, a combination of qualitative and quantitative research methods was used. Through in-depth interviews, case studies, and other means, comparative analysis of multivariate statistical methods, and multi-source data collection methods, the subtle psychological changes on teacher burnout and how these changes specifically affect employee retention are captured in a more subtle way, thus making up for the lack of explanatory depth of the quantitative study.

#### **Data Sharing Agreement**

The datasets used and analyzed during the current study are available from the corresponding author on reasonable request.

#### **Competing Interests**

The authors have no relevant financial or non-financial interests to disclose.

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