An empirical study on staff turnover and retention within Eskom: Eastern Cape Operating Unit.

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By

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Integrative Summary

This research paper is broken up into three sections, namely an evaluation report, a literature review and a description of the research methodology. The evaluation report section is an assessment of the factors that could contribute to staff leaving the organisation and why staff would choose to remain with the organisation.

The Distribution Division of Eskom is divided into nine separate Operating Units (OU's), in line with the nine Provinces. According to an Eskom Human Resource Manager (Mjali, 2013), as at March 2012 there were 2231 employees in the Easter Cape Operating Unit, while the staff turnover for the same period was 4.53%. Of the 101 staff that had resigned for the period 01 April 2011 to 31 March 2012, there were 27 transfers, 26 resignations and 30 retirements. The balance of 18 staff that left was due to dismissals and deaths. While the statistics suggest a healthy level of staff turnover at present, given the current pressures that Eskom employees are under, it is important to investigate their future intentions and to see what Eskom can do to continue to retain their services.

The literature relating to staff turnover and retention was examined to determine the meaning of the terms retention and turnover and to review the relevant turnover topics that were emerging from the exit interview data.

The research conducted was quantitative in nature, and a questionnaire was distributed to all managerial staff within the Eastern Cape Operating Unit of Eskom. The questionnaire was sent electronically to the participants via email with the link to the questionnaire. Participants were requested to respond on questions relating to factors on turnover and retention, and the responses were used to assess employee's intention to either remain with the organisation or to leave.

The feedback received was analysed with the use of data analysis in Microsoft Excel (2010). The results of the research showed that there were two distinct themes related to employees' intention to remain with the organisation, namely job satisfaction and career development. On the other end of the scale, themes which would cause staff to want to leave the organisation were the performance management system of the organisation, not being listened to (i.e. to the ideas and views of staff) and leadership (i.e. the way the organisation was being led). Recommendations are made to

management. The study also recommends future research that can be done to get greater insight into factors relating to staff turnover and retention.

A detailed review of the literature is included in Section two of the report. Only essential components of the literature are included in Section one of report. Section three of the report provided a detailed description of the research design and the research procedure that was followed.

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SECTION 1 EVALUATION REPORT

1.1 EXECUTIVE SUMMARY

This evaluation report is presented to the Eskom Eastern Cape Operating Unit (ECOU) Executive Committee (EXCO) by Rajesh Chibba, Senior Advisor Business Planning and Strategy. The purpose of the evaluation report is to highlight the likely cause(s) of staff turnover intent in the Operating Unit (OU), as well as to suggest retention strategies that can be implemented to prevent the loss of staff.

The evaluation report investigated a number of factors that could either result in employees leaving the organisation or choosing to remain. The research made use of a questionnaire that was distributed to all managerial staff within the Eastern Cape Operating Unit of Eskom. The size of the sample of respondents was 100.

The report concluded that staff at Eskom Eastern Cape Operating Unit would not leave the organisation if the leadership of the organisation was more effective and in particular, if they would listen to the staff. Furthermore an improved performance management system needs to be put in place. The study also highlighted areas where staff were currently happy with the current work environment.

Recommendations to management are that three key factors which play a role in managing turnover need attention. Firstly, the Performance Management System should address staff concerns. That is: a review of the current Performance Management System. Secondly, management should listen to employees' views and put measures in place to solicit employee opinions, respond to these views and give feedback to employees. Lastly managers should be seen to be supportive and visible if turnover is to be kept low.

In retaining skills within an organisation, it was found that employees are satisfied with their jobs and that job satisfaction was a key contributor to employee intention to remain in the organisation. Career development was also highlighted as a key reason for employees remaining in an organisation. It was clear that employees appreciate a career plan to enable them to foresee growth and potential promotion opportunities.

However, the limitations of this research are acknowledged. Therefore, further research is recommended to inform further interventions. In addition, a follow up survey with the 144 employees (i.e. total population) could be undertaken once there has been tangible evidence of some of the recommendations being implemented. The results of this follow up questionnaire could then be compared to that of this study, to assess whether there has been any improvement in the results. Finally, in this study only managers from one Operating Unit of Eskom completed the questionnaire. This is not representative of all Eskom employees. A follow up survey could be administered, using a larger and more representative sample of all Eskom managers from the remaining eight Operating Units to identify the trends in the organisation

1.2   INTRODUCTION

The Distribution Division of Eskom is divided into nine separate Operating Units (OU's), in line with the nine Provinces. As at March 2012 there were 2231 employees in the Operating Unit. The staff turnover for the same period was 4.53%. Of the 101 staff that had left for the period 01 April 2011 to 31 March 2012, there were 27 transfers, 26 resignations and 30 retirements. The balance of 18 staff that left was due to dismissals and deaths (Mjali, 2013).This leads one to question why the 53 staff members (total of transfers and resignations) left the Operating Unit.

The new world of work puts the importance of human capital and indeed human capital development at the centre of organisational success or failure. One of the most important drivers of productivity and sustainable economic growth in developed economies is the quality and stability of its workforce. Retention is a voluntary action by an organisation to create an environment which engages employees for a long term. The main purpose of retention is to prevent the loss of competent employees from leaving the organisation as this could have an adverse effect on productivity and profitability (Chiboiwa *et al*., 2010: 2103).

The retention of key employees remains a critical issue for organisations. Firms have become increasingly dependent on their top talent to be successful in adapting to market changes; however, these same market changes may simultaneously result in job dissatisfaction among

key employees. Theories of employee turnover have long suggested that job satisfaction plays an important role in the processes (Chen *et al.,* 2011: 159). In particular, central to most turnover theories is the notion that job satisfaction directly and negatively relates to employees' intentions to quit their jobs (i.e., turnover intentions), which in turn positively relate to actual turnover (Chen *et al.,* 2011: 161).

Data derived from exit interviews within Eskom (Kabaale, 2013), has identified the most pertinent reasons as to why individuals leave the business. Employees are asked to choose from a list of reasons as to why they are leaving the organisation. A percentage is allocated to one or more reason, and the total should sum to one hundred percent. The reason (choices) given to the employee are:

- o Career Development
- o Remuneration
- o Leadership / Management Style
- o Job Satisfaction and Meaningfulness
- o Organisational Climate
- o Work and Personal Needs Imbalance / Family reasons (Personal Factors)

Research suggests that organisational culture and climate affect an employee's career (Parzinger *et al*., 2012: 39). Thus, employees who fit happily into the culture and/or climate of their organisations are less likely to search outside their own company for employment (Parzinger *et al*., 2012: 39). Additionally, the culture and the climate, or context, of an organisation is greatly affected by the leader of that company, division, or department (Parzinger *et al*., 2012: 39). The ability of leaders to identify contextual elements most important to job satisfaction and turnover can reduce many problems and save money (Parzinger *et al*., 2012: 39). When employees are disgruntled or unhappy with their jobs, they may exhibit negative behaviours like sabotage, theft, or violence (Parzinger *et al*., 2012: 39). They may also leave the company, costing much in lost productivity and human resource expense (Parzinger *et al*., 2012: 39). Organisational climate has been found to impact job satisfaction, absenteeism and productivity. The perceptions of an organisation's emphasis on achievement, affiliation, autonomy, and understanding highly correlated with satisfaction of those aspects of climate (Parzinger *et al*., 2012: 39). Perceived organisational climate and person-organisation fit have also been linked with employee behaviours and performance at the organisational level (Parzinger *et al*., 2012: 39).

"Pay satisfaction is of primary concern to both employers and employees; pay is of obvious importance in terms of satisfying their economic needs" (Singh and Loncar, 2010: 470). It is important that they are satisfied with their overall pay as this may impact their attitudes and behaviours (Singh and Loncar, 2010: 470). For employers, some of whom may spend as much as 70-80% of their budget in wages and benefits in the service sector, the issue has implications for the survival of the organisation if they do not get decent returns on their investments (Singh and Loncar, 2010: 470).

"Furthermore, an organisation's reward system is increasingly viewed as a strategic tool in aligning the interests of workers and management and improving firm performance". For many organisations, employee turnover is a key concern because of the time and money involved in addressing this issue, among other factors. When an employee leaves an organisation, it forces it to spend scarce resources – both time and money – to either replace the employee, or get others to cover the work. Some costs, such as the disruption of the organisation's daily operations and the emotional stress and, at times, the work overload it causes those who remain, are difficult to capture in monetary terms (Singh and Loncar, 2010:470).

For employers, some interventions that may restore equity for those who perceive being under-paid is to increase outcomes such as pay and benefits, promotional opportunities and job security, and offer better working conditions. Since many employees have limited or no influence on the outcomes, they may simply quit their jobs after trying and failing to restore equity (Singh and Loncar, 2010: 472).

Having a clear vision will also improve the decision making process because it will reflect the common goals of those in the organisation (Forest and Kleiner, 2011: 256). Having a clear picture of the organisation's vision and its purpose can unleash creativity and pride within it. This has shown to have a positive effect on nursing retention, while inspiring a sense of meaning to the bedside nurse (Forest and Kleiner, 2011: 255).

Trust and integrity in the leaders of the organisation (and their peer) is imperative. Trust is grounded in the belief that their superiors are honest and lead with integrity. When employees share the same values as those of the company, there is a strong connection between management and employees. Conflicts are minimised and pride in the organisation and its

goals are taken to heart. Consistency in action must be present in leaders of an organisation; the values of the leader must not waver with the tide but rather remain steadfast on the values of the organisation. Employees need to know that they can depend on their leaders to remain focused on the goals of the organisation. This can be seen when the leader's core values are in line with the mission and vision of the organisation. It should be noted that successful organisations all share similar core values, including open and honest communication between its members (Forest and Kleiner, 2011: 255).

According to Furtodo *et al*., (2011: 51) research has demonstrated that some leadership qualities are implicated in greater satisfaction and this can be translated as the reduction of turnover intention.

1.3 LITERATURE REVIEW

The new "world of work" lays the importance of human resources as well as the development of human capital at the centre of the success or failure of the company (Chiboiwa *et al.*, 2010: 2103). The 'war for talent' is a worldwide occurrence and phenomenon where managing staff workload, schedules, training, behaviour, performance management, ensuring the "right person with the skills", recruitment and dismissing of staff, are common functions within the Human Resources Department of any modern organisation (Malik *et al*., 2011: 326). Productivity is driven by sustainable economic growth in developing countries as well as the quality and stability of its workforce (Chiboiwa *et al*, 2010: 2103). In today's business world a key talent is to retain and attract competent staff in order to achieve financial success (Loquercio, 2006: 24).

 "Labour turnover is the movement of employees in and out of the boundaries of the organisation ... the permanent withdrawal from the work situation" (Nel *et al*, 2004: 551). According to Price *et al.*, (2007: 51), "turnover occurs when an employee leaves a specific job or organisation permanently and his/her services are no longer available. As a result of turnover, a new employee must be hired." Consequently transfers are not considered as labour turnover.

One of the most important drivers of a company's growth and productivity is the quality, availability and stability of its employees (Chiboiwa *et al.*, 2010: 2103).

Chiboiwa *et al.,* (2010: 2104) defines retention as "a voluntary move by an organisation to create an environment which engages employees for a long term". Chiboiwa *et al.,* (2010: 2104) iterates that one of the main reasons for retaining employees is to stop competent staff from leaving the company.

However, if these employees do leave, it can have a profound negative effect on productivity and profitability. Retention is about those policies and practices that "encourage and create positive working conditions and an environment that encourages employees to stay with the company in the longer term" (Martin, 2010: 233). Employee retention still remains one of the more critical matters in any organisation. Companies become increasingly dependent on the top performers in achieving a competitive advantage and to succeed in adapting to market changes (Chiboiwa *et al.,* 2010: 2104-2105).

1.3.1   Factors of Turnover and Retention

1.3.1.1   Career Development:

Increasingly individuals do not mentally and physically attach themselves to one-single firm regardless of the conditions within which the company operates. Instead, job mobility has been heightened, making the possibility of career change and job mobility a common phenomenon (Rousseau, 1998: 218).

Career development goes beyond the merely promotion as a reward. It includes factors such as improving skills, preparing for the future and maintaining existing skills, Firms that have a prominent and successful career development programme, can see that investment paying-off as it leads to improved employee performance.

In today's business world, individuals go through an array of different career paths in similar or other industries. In order for an individual to be highly successful in a job, their needs must have a relationship between an improved career path and the relationship with their current employer (Weng and McElroy, 2012: 256). An improved career path is a good determiner of

"employee–organisational relationship" (Weng and McElroy, 2012: 256). However, one would expect that "any relationship between career growth and employee outcomes would depend on whether the employee is committed to pursuing a career, rather than simply holding a job, in the first place" (Weng and McElroy, 2012: 256).

Ko (2012: 1006) terms "career" as explainable by referring to it as "a sequence of jobs held by an individual in his or her lifetime; or a series of job outputs performed over time; or as a pattern of job experiences covering the life of a person".

Weng and McElroy (2012: 257) mention the theory of "met expectations" which indicates that an individual's attitude and behaviour to be the consequence as to the level to which expectations are met within a company. According to Chang (1999: 1257-1258), staff who strive to grow in their career, have higher expectations for growth opportunities within their own environment. If such an employee meets his or her potential for growth within the organisation, such an employee is likely to stay with that company. However, failure to achieve that promotion will automatically lead these staff to seek alternative jobs. Career growth prospects are as encouragements within the "framework of the psychological contract" and indicate that these incentives are provided by the organisation, the employee responds by giving more to the organisation's goals (Chang, 1999: 1258).

The results of a study done by Weng and McElroy (2012: 262) shows that employee's whose expectations are met and their "psychological contracts" therefore satisfied, can result in a more psychological attachment to their organisation, and are therefore less likely to exit. For example, "career goal progress, reflects the association between one's career goals and one's current job. If this association is strong, one becomes more socio-emotionally linked to their employer, which decreases their inclination to look elsewhere for work" (Weng and McElroy, 2012: 262). This is a strong element of turnover in career development, as it highlights the importance of having a congruent relationship between employer and employee.

1.3.1.2 Remuneration

Remuneration satisfaction is the main concern to both employees and employers. Remuneration is important as it satisfies economic needs. The importance of employees being happy with their pay is fundamental to relationship building as this may impact their attitudes and behaviours (Singh and Loncar, 2010: 470). In the service sector employers spend as much as 70-80% of their annual budget on wages and benefits. This concern has far reaching implications for the sustainability of an organisation, if it does not ensure decent returns on their investments (Singh and Loncar, 2010: 470). Singh and Loncar (2010: 470) echoes furthermore that a company's reward system is considered by many as a strategic tool to ensure the alignment of the interests of employees and management, and improve the firm's performance. For many employees, turnover is a major concern due to the time and monetary value involved in addressing the issue. In the event of an employee exiting employment, it forces the organisation to spend scarce resources – both money and time – to either replace the staff member, or allow others to cover the work (Singh and Loncar, 2010: 472). If employees perceive being underpaid, the employer may restore equity by increasing pay, benefits, promotional opportunities, job security and offer better working conditions. Employees at times have limited to no influence on the outcomes, resulting in them quitting their jobs after trying and ultimately failing to restore equity (Singh and Loncar, 2010: 472)

Remuneration satisfaction is a key concern to both employees and employers. Remuneration is important as it satisfies economic needs. Remuneration is viewed as a "lower-order, hygiene need, it is important to maintain adequate remuneration levels" among high performers (Winterton, 2004: 377). "For most individuals the reality of an instrumental attachment to work necessitates sufficient reward to maintain the cash nexus irrespective of the ideology and idealism of psychosocial motivation theories" (Winterton, 2004: 377)

1.3.1.3 Leadership and Management Styles

Turnover trends correspond with good governance and a transformational leadership style. Research shows that an employee's intention to leave is more directly related to managers or supervisors than co-workers (Hayes *et al*., 2012: 889). Hayes *et al*., (2012: 889) state that managers must be great leaders. Their visibility is of cardinal importance, effectively liaising with their employees and being willing to provide praise and recognition where it is needed most. Supportive management also involves the promotion of communication and being part of a team (Hayes *et al*., 2012: 889).

A high level of integrity, accountability and trust in leaders of any organisation is imperative. The matter of trust is grounded in the belief that the company's leadership are individuals that are honest and lead with accountability and integrity (Forest and Kleiner, 2011: 255). When staff and the company's values are aligned, the bond between management and employees is strong, it leads to a decrease in conflict and the vision and mission of the organisation are taken to the core of the business (Forest and Kleiner, 2011: 255).

1.3.1.4 Job Satisfaction

Ko (2012: 1005) indicates that job satisfaction can best be described as "the feelings staff have regarding their careers". It is therefore a function of the perceived relationship between the employee's expectation on his/her career and the actual input received from such a relationship. Job satisfaction is an "attitudinal measure" which measures the views of past experiences and rewards to their current view of a job.

Job satisfaction plays a key role for the subjective well-being and is a crucial factor for labour market outcomes. "Greater employee well-being is associated with better job performance, lower absenteeism, and reduced job turnover, and is therefore of particular interest to firms and other organisations" (Kaiser, 2005: 1). One of the most consistent findings in empirical labour economics is that of a large and significant difference between men and women's pay. Estimates of the ratio of the pay of women to

that of equivalently qualified men doing the same type of job have ranged from 94 to 49%, with a recent estimate of 80%. There is also extensive evidence that women's jobs are worse than men's in terms of hiring and firing, job content, promotion opportunities and sexual harassment. Even so and despite their higher levels of reported stress in their life, women consistently report higher job satisfaction scores than do men (Clark, 1997: 342).

1.3.1.5 Organisational Climate

Research indicates that the culture and climate of the organisation directly affect an employee's career decisions (Van Vianen, 2000; Young and Hurlich, 2007 cited in Parzinger *et al*., 2012: 39). This alludes to the fact that staff with a perfect fit into the culture and climate of their company, are less likely to leave the company and search for alternative employment somewhere else. In return, the culture and the climate of an organisation are highly affected by the leader of that company, division, or department. The capacity of leaders to recognise contextual elements most important to job satisfaction and turnover can reduce many problems and save money (Van Vianen, 2000; Young and Hurlich, 2007 cited in Parzinger *et al*., 2012: 39).

Organisational factors affecting staff retention include the administrative structure and personnel policies of the company, care, supervision, and communication. For example, "nursing homes retain traditional bureaucratic structures in which the focus is on "standard operating procedures" and control that is concentrated at the top." (Riggs and Rantz, 2001: 45). This form of organisational structure may require an expected work environment and is not favourable to flexibility. "Open, flexible organisational structures contribute to the commitment, satisfaction, and retention of employees to the degree that they demonstrate support for individual workers" (Riggs and Rantz, 2001: 45). "Shared participation in decision making, equity in implementation of policies, access to formal and informal support systems, effective interpersonal relationships and supervision, and multi-channelled open communication are all factors shown to relate to staff retention and that

would define the nursing home as a "relational community (Riggs and Rantz, 2001: 47).

1.3.1.6 Personal Factors

Ali Shah *et al* (2010: 169) highlights personal factors such as family issues, health problems, education of children and societal status as causes and contributors to high turnover intentions among employees. Another important factor which was highlighted by these authors is "Job-Hopping", which can also lead to an increase in turnover. This is mainly the result when there is a labour shortage being experienced and a surplus of jobs available, which causes employees, to move to another job for better remuneration. There is also an "understanding that believes that employees "job-hop" for no apparent reason or just because of the fun of it and also to improve their resumes in many instances. For example, a staff member hears that his colleague or family member has done so, and then he/she decides to do the same" (Ali Shah *et al.*, 2010: 170).

To keep jobs attractive, "the overall goal should be to restore and protect the attractiveness of certain careers as an occupation for all potential applicants." (Cangelosi *et al.*, 1998: 29). The related mechanisms include: "The variety of daily work; the support and friendship of colleague; the ability to fit work around social responsibilities; opportunities for learning, diversity and promotion." (Wilson, 2006: 32).

Doll (1983: 80) emphasises retention factors as: "try to spread overtime around so that it isn't too heavy on a few people, for example offer the staff an overtime bank, whereby they would be paid in days off, during slack periods in lieu of pay for overtime". Offer staff, training on time management, in order for them to manage their work more efficiently.

1.3.2 Summary

The literature highlights to a significant degree the disruptive and costly nature caused by turnover in the modern workplace. The most important factor in gaining a competitive advantage, and to be successful nowadays is not in looking at profit in

isolation, but more on managing those relationship within the business that ensure a positive profit margin is secured. Staff turnover is a determining factor of sustainability in today's World-of-Business. In this research study, six themes namely career development, job satisfaction, remuneration, organisational climate, management and leadership styles and personal factors were explored.

1.4   RESEARCH METHOD

The population was 144 Eskom Managerial staff from the Eastern Cape Operating Unit. All of the employees in the sample group have a minimum educational background of at least grade 12 (with the vast majority having a tertiary qualification) and all employees in the sample can read, speak and write English fluently.

The questionnaire consisted of 2 sections viz.

- Section A - seven biographical questions.
- Section B – fifty two questions broken up into four sub sections viz.
    - Section B1 – thirty question on factors that would influence and employees decision to stay or leave the organisation. It was of a Likert scale format and the respondents were asked to rate their level of agreement with certain statements on a scale of 0 – 10.
    - Section B2 – three questions on external factors that may influence an employee to leave. It was of a Likert scale format and the respondents were asked to rate their level of agreement with certain statements on a scale of 0 – 10.
    - Section B3 – nine questions on the employees intention to quit. It was of a Likert scale format and the respondents were asked to rate their level of agreement with certain statements on a scale of 1 – 7.
    - Section B4 – ten questions on how to manager staff retention. It was of a Likert scale format and the respondents were asked to rate their level of agreement with certain statements on a scale of 0 – 10.

The questionnaire was constructed on line in Google Drive and a link to the document was shared via an email that was distributed to all Managerial staff based in the Eastern Cape Operating Unit.

Respondents were requested to complete the questionnaires during any free time they had between meetings or appointments. The time that was estimated for completion of the questionnaire was not more than 20 minutes.

To complete the form, the participant clicked on the link which was included in the email sent and it directed them to an on-line survey sheet. A brief explanation of the survey as well as instructions on how to complete the survey was in the introduction of the survey. All questions were mandatory and should a question not have been answered the survey would mark the process as not completed, this ensured that all questions were in fact answered (See Appendices 4.1 and 4.2).

1.5   RESULTS

The initial email requesting participant to complete the questionnaire was sent on 22 January 2014, with no deadline was given to the participants. However, there were two follow up emails sent to the participants on 03 February 2014 and 13 February 2014 respectively, urging them to complete the questionnaire.

All completed questionnaires were downloaded from Google Drive into Microsoft Excel (2010 version) in order to perform a series of statistical tests. The results of the tests performed are discussed below.

1.5.1   Biographical results

Of the 144 questionnaires sent, 100 responses were received. The biographical results for Ethnicity of respondent, Age of respondent, Gender of respondent, Job level,

Highest Educational Qualification obtained and Division or section of respondents can be found in Table 1.1.

TABLE 1.1: RESPONDENTS BIOGRAPHICAL RESULTS

Ethnicity of respondent	Responses
Black	38
Colourd	12
Indian	13
White	37
Grand Total	100

Age of respondent	Responses
25 years to less than 35 years old	15
35 to less than 45 years old	39
45 to less than 55 years old	31
55 years and older	15
Grand Total	100

Gender of respondent	Responses
Female	33
Male	67
Grand Total	100

Job level	Responses
M/P/G/S 14,15 & 16	85
M/P/G/S 17 & 18	15
Grand Total	100

Highest Educational Qualification obtained	Responses
Bachelors Degree	33
Diploma	22
Honours Degree	25
Masters or Doctoral Degree	18
Matric or Grade 12	2
Grand Total	100

Division or section	Responses
Business Partners (HR, IM, Finance, Commercial)	32
Group Customer Services	18
Wires	50
Grand Total	100

Source: Author's construction

1.5.2   Top Ten Retention Items

Data downloaded from the completed questionnaires was analysed and for section B1 of the questionnaire, the following top ten retention items from the thirty questions were identified based on the frequency of the scores (Table 1.2). The ranking of the

Top Ten Retention items was made by analysing the frequency of the scores and a mean was calculated as the average of the applicable scores, followed by the impact based on the relative impact score. The impact score is arrived at by multiplying the frequency of the scores (i.e. the number of respondents who rated the item as a retention item, namely by rating it from 6 to 10) by the mean of this sub sample's rating and then dividing the result by one hundred to arrive at the impact score. The impact score thus allows one to rank the questions in order of importance.

TABLE 1.2: TOP TEN RETENTION ITEMS

Rank	Question	Question Number	Frequency	Mean	Standard Deviation	Impact Score
1	The level of significance or importance of my job. The extent to which the results of my work affect the lives and well-being of other people.	29	75	7.97	1.09	5.98
2	Developing myself and gaining new knowledge and skills.	12	72	7.92	1.11	5.70
3	The training and development opportunities available.	13	70	7.73	1.15	5.41
4	The learning environment of the organisation.	11	68	7.63	1.28	5.19
5	The level of challenge and excitement of work assignments in my area of expertise.	30	67	7.99	1.29	5.35
6	The degree to which I can achieve my personal and professional goals	27	61	7.85	1.12	4.79
7	The balance of work and my other life pursuits and interests.	21	61	7.49	1.18	4.57
8	The size of my pay package	16	60	7.78	1.26	4.67
9	The degree to which the work environment is either sensitive to or indifferent to my personal, family and health related needs	25	58	7.43	1.06	4.31
10	The way my pay package is structured in terms of its benefits (medical, pension, allowances) and incentives (e.g. performance bonus)	17	58	8.00	1.31	4.64

Source: Author's construction

An analysis of the top 10 retention items shows the top six items are from two distinct themes of the questionnaire i.e. questions 27, 29 and 30 are questions relating to Job Satisfaction. Questions 11, 12 and 13 are questions relating to Career Development.

1.5.3   Top Ten Turnover Items

Data downloaded from the completed questionnaires was analysed and for section B1 of the questionnaire the following top ten turnover items were identified (Table 1.3). The ranking of the top ten turnover items was made by analysing the frequency of respondents who rated the item from 0 to 4. The mean was calculated for the sub-sample, and the impact ranking determined based on the impact scores. In calculating the impact score of the top ten

turnover items, a reverse mean score was used. That is, since the Likert scale used was a "0 to 10" scale with a score of "5" being a neutral, it thus meant that a score of "0" indicated that a respondent was more inclined to leave the organisation. Therefore to ensure that the impact score was a true reflection of the respondents' rating, a reversed mean was calculated and the impact score was calculated on this reversed mean. The reversed mean was arrived at by taking the original mean and subtracting it from 4.

TABLE 1.3: TOP TEN TURNOVER ITEMS

Rank	Question	Question Number	Frequency	Mean	Standard Deviation	Impact Score	Reversed Mean	Impact Score
1	The current performance management system of the organisation.	19	64	1.88	1.53	1.20	2.13	1.36
2	The way the organisation is being led by top management.	6	62	1.87	1.30	1.16	2.13	1.32
3	The degree to which the organisation listens or does not listen to the views and ideas of its employees	7	72	2.19	1.19	1.58	1.81	1.3
4	The degree of fairness and consistency in the way in which policies are implemented	5	54	1.96	1.27	1.06	2.04	1.1
5	The way people are treated by those in leadership positions.	9	54	1.96	1.27	1.06	2.04	1.1
6	The plans and changes that the organisation is implementing	3	62	2.29	1.23	1.42	1.71	1.06
7	The recognition I receive for what I do.	20	50	1.94	1.22	0.97	2.06	1.03
8	The way problems are generally dealt with by managers in the organisation	10	53	2.23	1.46	1.18	1.77	0.94
9	The quality of my manager's leadership and nature of the relationship I have with him or her.	8	46	2.00	1.30	0.92	2.00	0.92
10	The structure of the organisation	2	45	2.42	1.08	1.09	1.58	0.71

Source: Author's construction

The top three turnover items based on the impact scores (Table 1.3) are:

- Question 19 – The current performance management system of the organisation.
- Question 6 – The way the organisation is being led by top management.
- Question 7 – The degree to which the organisation listens or does not listen to the views and ideas of its employees.

The responses to these three questions suggest that they represent the main reasons for employee intent to leave the organisation in the near future.

1.5.3.1 Analysis of Variances (Anova) for the top three Turnover Items

Analysis of variance was performed to further explore the top three turnover items, as they represented a higher risk to the organisation in terms of the retention of staff. This section therefore presents the results of Anova tests performed on the top three turnover items (Table 1.3) in comparison to the age of the respondent, gender of the respondent, job level of the respondent and division or section of the respondent (Table 1.1) in order to explore differences between the sub-groups.

The null hypotheses for these tests is that there is no significant difference in mean score across categories represented in the biographical data of the sample (i.e. age of the respondent, gender of the respondent, job level of the respondent and division or section of the respondent).

The alternate hypotheses are that there is a significant difference in mean scores across the biographical data of the sample. The level of significance used for the test is 5% ($\alpha = 0.05$) and the specific test used was Anova single factor. The decision rule to be used was to reject the null hypothesis if the p-value <0.05.

Analyses of variance were conducted on questions 19, 6 and 7 to test the hypotheses above. Only the Anova results for question 6 were significant and are presented below. For item 6 the only analysis that was of significance was the job level of the respondent and this analysis is represented below (Table 1.4). All the Anova results that were not significant are presented in Appendix 4.3

TABLE 1.4 ANALYSIS OF VARIANCE OF LEADERSHIP VERSUS JOB LEVEL OF RESPONDENT

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance		
M/P/G/S 14,15 & 16	54	108	2	1.736		
M/P/G/S 17 & 18	8	8	1	0.571		

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	6.968	1	6.968	4.355	0.041	4.001
Within Groups	96.000	60	1.600			
Total	102.968	61				

Source: Author's construction

The null hypothesis is rejected as the p-value is less than 0.05 (p = 0.041) as seen in Table 1.4. At the 5% level of significance, there is a significant difference in mean scores across job levels. Thus, as compared to junior managers (i.e. M/P/G/S/ 14, 15 & 16) with a mean score of 1.00, middle managers (i.e. M/P/G/S 17 & 18) with a mean score of 2.00, are more inclined to consider leaving the organisation based on the manner in which "The way the organisation is being led by top management".

1.5.4 Correlation Analysis

"Correlation analysis is one of the most widely used and reported statistical methods in summarising data. The correlation coefficient or r coefficient is a statistic used to measure the degree or strength of the relationship between variables". (Taylor, 1990: 36).

1.5.4.1 Correlation of the top three turnover items to Section B3

The top three turnover items namely question 19, 6 and 7 (Table 1.3) represent internal themes/ reasons for staff to want to leave the organisation. As a result questions 34, 35, 36 and 42 from section B3 were chosen for correlation purposes as they represent items that express an intention by staff to leave the organisation for internal reasons.

TABLE 1.5 CORRELATION ANALYSIS OF QUESTION 19 TO SELECTED QUESTIONS FROM SECTION B3.

19	The current performance management system of the organisation.		
Question no.	**Question**	**Coefficients**	**P-value**
34	I often think about quitting my job.	-0.198	**0.005**
35	I will probably look for a new job in the next year.	-0.250	**0.000**
36	I never think about quitting my job.	0.096	0.171
42	If I wanted to resign this month, I expect that I could easily get another job	0.047	0.490

Source: Author's construction

The scores indicative of dissatisfaction with the performance management system (item 19), were correlated to questions 34, 35, 36 and 42 from Section B3 of the questionnaire.

The results indicate a significant and inverse relationship between Questions 34 and Question 35 (Table 1.5). This suggests that some employees could be dissatisfied with the performance management system of the organisation to the extent that they may be thinking about quitting or looking for a new job in the near future.

TABLE 1.6 CORRELATION ANALYSIS OF QUESTION 6 TO SELECTED QUESTIONS FROM SECTION B3.

6	The way the organisation is being led by top management.		
Question no.	**Question**	**Coefficients**	**P-value**
34	I often think about quitting my job.	-0.212	**0.001**
35	I will probably look for a new job in the next year.	-0.195	**0.002**
36	I never think about quitting my job.	0.139	**0.025**
42	If I wanted to resign this month, I expect that I could easily get another job	-0.047	0.436

Author's construction

The scores for the way the organisation is being led by top management (item 6) were correlated to questions 34, 35, 36 and 42 from Section B3 of the questionnaire (Table 1.6).

The results indicate an inverse relationship for Question 34 and Question 35. Thus, should leadership in the organisation not instil confidence in its employees there is a higher chance that staff will consider leaving the organisation. There is also a significant positive relationship for question 36 which then leads the researcher to conclude that staff are less likely to quit should the organisation be led effectively by top management.

TABLE 1.7 CORRELATION ANALYSIS OF QUESTION 7 TO SELECTED QUESTIONS FROM SECTION B3.

7	The degree to which the organisation listens or does not listen to the views and ideas of its employees		
Question no.	**Question**	**Coefficients**	**P-value**
34	I often think about quitting my job.	-0.117	0.128
35	I will probably look for a new job in the next year.	-0.065	0.399
36	I never think about quitting my job.	0.187	**0.011**
42	If I wanted to resign this month, I expect that I could easily get another job	-0.085	0.237

Author's construction

The scores for the degree to which the organisation listens or does not listen to the views and ideas of its employees (item 7) were correlated to questions 34, 35, 36 and 42 from Section B3 of the questionnaire (Table 1.7).

The results indicate a significant positive relationship between question 7 and question 36. Thus should leadership not listen to the ideas and views of staff, the likelihood of staff leaving the organisation is increased.

1.5.4.2 Correlation of the top three turnover items to Section B4

Included in section B4 of the questionnaire was a limited range of ideas of how retention could be managed. Given the analysis of responses to Section B1 above, the top three turnover items (i.e. questions 19, 6 and 7) were identified (see Table 1.3). These three items were compared to questions 43, 45, 46, 47, 48, 49, 50, 51 and 52 from Section B4 of the questionnaire,

because of their potential relevance in addressing these priority turnover intentions.

TABLE 1.8 CORRELATION ANALYSIS OF QUESTION 19 TO SELECTED QUESTIONS FROM SECTION B4

19	The current performance management system of the organisation.		
Question no.	**Question**	**Coefficients**	**P-value**
45	Improve organisation systems, processes and policies	-0.176	0.169
48	Increase my pay by 25 percent	-0.199	0.055
49	Pay me more, based on my performance or contribution	-0.204	0.063
50	Revise the performance management system	-0.385	**0.000**
51	Provide me with more opportunities to attend courses which develop me	0.069	0.432
52	Provide me with a clearer career development path	0.056	0.580

Source: Author's construction

As shown in Table 1.8, questions 45, 48, 49, 50, 51 and 52 were seen to be related to performance management (item 19) and thus a correlation was performed on these questions to that of question 19 from Table 1.3.

The results indicate that there is one item of significance (i.e. question 50) when correlated against question 19. There is a significant relationship between the revision of the performance management system as a way of managing staff retention, and the intent to leave as a result of the current performance management.

This leads the researcher to conclude that should the performance management system be revised appropriately, the likelihood of staff leaving could be reduced. Unfortunately, given the limitations of this research, the nature of this revision could not be identified. Of interest to note is the fact that revising pay, training and career development as possible ways of managing retention did not have a significant correlation to the intent to leave as a result of the current performance management system of the organisation. There needs to be further research undertaken to determine what the root of the dissatisfaction is with the performance management system.

TABLE 1.9 CORRELATION ANALYSIS OF QUESTION 6 TO SELECTED QUESTIONS FROM SECTION B4

6	The way the organisation is being led by top management.		
Question no.	**Question**	**Coefficients**	**P-value**
43	Clarify and communicate the organisation's core purpose and guiding principles and values	0.015	0.914
47	Allow me to participate more in decision making and problem solving within the organisation	-0.165	0.327

Source: Author's construction

Questions 43 and 47 were seen to be related to the response on leadership and thus a correlation (Table 1.9) was performed on these questions (43 and 47) to that of question 6.

The results indicate that there were no items of significance identified. This suggests that the dissatisfaction with organisational leadership that is being expressed in an intent to leave, is not related to the way that they communicate or levels of participation in decision making and problem solving. Since there were no items of significance when correlating leadership to communication and participation in decision making, further research is needed to determine why employees are intent on leaving due to the way the organisation is being led by top management.

TABLE 1.10 CORRELATION ANALYSIS OF QUESTION 7 TO SELECTED QUESTIONS FROM SECTION B4

7	The degree to which the organisation listens or does not listen to the views and ideas of its employees		
Question no.	**Question**	**Coefficients**	**P-value**
46	Communicate more with me about what is happening in the organisation	-0.072	0.549
47	Allow me to participate more in decision making and problem solving within the organisation	-0.372	**0.008**

Source: Author's construction

Questions 46 and 47 were seen to be related to the responses on listening (item 7) and thus a correlation (Table 1.10) was performed on these questions to that of question 7.

The results indicate that only one item of significance was reported (i.e. question 47). There is a significant inverse relationship between question 7 and question 47. It can be concluded from the correlation that the more participation employees have the less likely they are to leave the organisation for the reason of not being listened to.

1.6   DISCUSSION AND CONCLUSION

The objectives of the research study was to identify the main factors that could lead to turnover within the Eastern Cape Operating Unit of Eskom, as well as the factors that could assist in the retention of staff. The main findings of this investigation are summarised in this section, discussed and then recommendations made to management in the light of this discussion.

1.6.1   Summary of the main findings

The analysis of the top 10 retention items showed two distinct themes that would lead to ensuring staff retention; these themes are a job satisfaction and career development. On the other hand, the top three themes that would cause staff to leave the organisation were the performance management system of the organisation, the degree to which the organisation listens to views and ideas of staff, and the way the organisation is being led by top management.

Further analysis highlighted that middle managers (M/P/G/S 17 & 18) were more inclined to consider leaving the organisation that other managerial staff (M/P/G/S 14, 15 & 16) over the way that the organisation is being led by top management. Correlation analysis also showed that staff are more inclined to leave the organisation due to the current performance management system not being effective, the degree to which the organisation listens or does not listen to the views and ideas of its employees, as well as the way the organisation is being led by top management. In mitigation of these risks, the employees could be more inclined to remain with the organisation should they be more involved in the decision making process, as this is associated with feeling that they are listened to. In addition, revising the current performance management system will reduce the likelihood of leaving.

There were also meaningful analyses with no significant results. These included the correlation indicating that dissatisfaction with the leadership of top management, was not related to decision making and communicating the organisation core values. Further research needs to be undertaken to better understand why employees may leave due to top management's leadership of Eskom.

1.6.2 Recommendations: Turnover

1.6.2.1 Performance Management Systems

Research by Batt and Colvin (2011: 3) indicates that employees quit their jobs, when they are disgruntled with HR processes. From this study, the respondents' views of the performance management system is one of the items that was ranked highly in terms of turnover intention.

However, the exact nature of the dissatisfaction could not be pinpointed and needs to be investigated further. One area of such investigation is the basis of the measurement of performance and role of decision makers in finalising performance results (Kloot and Martin, 2000: 234). The recommendation to Eskom management is that there should be a review of the current Performance Management System.

1.6.2.2 Listening:

Another finding of the study refers to the degree to which the organisation does not appear to be listening to the views and ideas of staff. Boss *et al.,* (1990: 71) note that accurate evidence is a vital element of effective management. In order to get the "essential information, managers need lots of help, particularly from their employees, and the best way to get that help is to listen to them" (Boss *et al.*, 1990: 71). By listening, the authors refer to, at the very least, "hearing information, analysing it, recalling it at a later time, drawing conclusions from it, and then doing something about it". Listening is a crucial component of the communication mix. Therefore, to remedy the situation, Boss *et al.,* (1990: 71) states that "leaders must be willing to listen to their people, both intellectually and emotionally, and to respond to what they

hear, as some problems require nothing more than a listening ear; and others necessitate immediate action". Whatever, the need, it is important that the leader give people, what they need to grow (Boss *et al* , 1990: 71).

The recommendation to Eskom management is to re-introduce the employee satisfaction surveys. Completion of the surveys by staff should not end once the survey has been completed. All suggestions, concerns and recommendations made in the surveys must be actioned and feedback provided to the employees.

1.6.2.3   Leadership

Research shows that staff's intention to leave is more directly related to managers or supervisors than co-workers (Hayes *et al.,* 2012: 889). Hayes *et al.,* (2012: 889) states that managers must be great leaders, their visibility is of cardinal importance, effectively liaising with their employees and their willingness to provide praise and recognition where it is needed most. Supportive management also involves the promotion of communication and being part of a team (Hayes *et al.,* 2012: 889).

While the reason for dissatisfaction in the way the organisation is being led needs further investigating, the recommendation to Eskom management is that it should encompass the Eskom leadership values namely, leadership with the heart of a servant, leadership that creates a learning organisation, leadership characterised by good governance and leadership characterised by disciplined execution.

1.6.3   Recommendations: Retention

1.6.3.1   Job Satisfaction

While expressing dissatisfaction with the leadership and the performance management system of the organisation, the respondents have nevertheless expressed satisfaction with their jobs. Since this has emerged as a key contributor to employee intentions to stay, it is vital for Eskom to monitor and

manage job satisfaction. According to Saari and Judge (2004: 403) Eskom Management, should therefore systematically measure employee attitudes that forecast organisational performance, look at ways of improving employee attitudes and job satisfaction; and then finally evaluating these interventions by measuring and researching, whether these objectives were met.

Management should therefore consider using a worker attitude survey, which measures areas important for employee job satisfaction as well as organisational success. Management can ensure that the surveys are routinely used as part of decision making, making the results an invaluable source of future prospects (Saari and Judge, 2004: 403).

1.6.3.2   Career development

In addition to job satisfaction, career development was identified as a key reason for respondents to stay on in the organisation. Participants like to have a clear career path for career growth and potential promotion opportunities while others valued the career path being coupled to definite career advancement plans. Jan (2010: 107) reported that if an organisation does not consider providing opportunities to employees to advance in their careers, this creates a feeling of frustration among them. Stairs *et al.,* (2006, cited in Mabuza and Gerwell Proches, 2014: 643) advised that organisations should facilitate opportunities for development and career progression for their employees. Benest (2008, cited in Mabuza and Gerwell Proches, 2014: 643) also advised that this can be achieved by providing appropriate and flexible work challenges, continuous learning, challenging work, assignments which stretch but do not overwhelm the employee, continuous training and development, and competitive pay.

Career development is an ongoing process. It needs the backing of the organisation as a whole with specific reference to managers and human resources. The organisation should not deem career development as an isolated issue or a once-off trade off with staff. It is like many other common issues, where the responsibility of devising a solution is shared by all the

stakeholders, similarly, career development being a common issue, the responsibility of developing a career plan may also be shared. (Jan 2010: 107)

The recommendation to Eskom management is to review the current talent management programme as the current programme is mostly aimed at one division (i.e. Distribution) and to ensure that all Divisions are catered for. Further to this, the mentorship programme for middle managers as well as junior managers and supervisory staff can be formalised. Lastly, the bursary committee could be more flexible in their support of an employee's choice of studies, keeping in mind a long term view of an employee's development.

1.6.4   Conclusion

Based on the findings of this research a number of recommendations have been made to management.   However, the limitations of this research are acknowledged. Therefore, further research is recommended to inform further interventions.   In addition, a follow up survey with the 144 employees (i.e. total population) could be undertaken once there has been tangible evidence of some of the recommendations being implemented. The results of this follow up questionnaire could then be compared to that of this study, to assess whether there has been any improvement in the results.

Finally, in this study only managers of one Operating Unit completed the questionnaire. This is not representative of all Eskom employees. A follow up survey could be administered, using a larger and more representative sample of all Eskom managers from the remaining eight Operating Units to identify the trends in the organisation.

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SECTION 2 – LITERATURE REVIEW

2.1 INTRODUCTION

The new "world of work" lays the importance of human resources as well as the development of human capital at the centre of the success or failure of the company (Chiboiwa *et al.*, 2010: 2103). The 'war for talent' is a worldwide occurrence and phenomenon where managing staff' workload, schedules, training, behaviour, performance management, ensuring the "right person with the skills", recruitment and dismissing of staff, are common functions within the Human Resources Department of any modern organisation (Malik *et al.*, 2011: 326). Productivity is driven by sustainable economic growth in developing countries as well as the quality and stability of its workforce (Chiboiwa *et al*, 2010: 2103). In today's business world a key talent is to retain and attract competent staff in order to achieve financial success (Loquercio, 2006: 24).

"Labour turnover is the movement of employees in and out of the boundaries of the organisation ... the permanent withdrawal from the work situation" (Nel *et al.*, 2004: 551). According to Price *et al.*, (2007: 51), "turnover occurs when an employee leaves a specific job or organisation permanently and his/her services are no longer available. As a result of turnover, a new employee must be hired." Consequently transfers are not considered as labour turnover. (Price *et al.*, 2007: 51).

One of the most important drivers of a company's growth and productivity is the quality, availability and stability of its employees (Chiboiwa *et al.*, 2010: 2103). Chiboiwa *et al.,* (2010: 2104) defines retention as "a voluntary move by an organisation to create an environment which engages employees for a long term". Chiboiwa *et al.,* (2010: 2104) iterates that one of the main reasons for retaining employees is to stop competent staff from leaving the company. However, if these employees do leave, it can have a profound negative effect on productivity and profitability. Retention is about those policies and practices that "encourage and create positive working conditions and an environment that encourages employees to stay with the company in the longer term." (Martin, 2010: 233). Employee retention still remains one of the more critical matters in any organisation. Companies become increasingly dependent on the top

performers for achieving a competitive advantage and succeeding in adapting to market changes (Chiboiwa *et al.,* 2010: 2104-2105).

According to Greenhaus and Callanan (1994, cited in Lessner and Akdere, 2008) career management is defined as "a dynamic process in which individuals gather information on their own likes, dislikes, strengths, weaknesses, and on the world of work; develop obtainable goals; develop and implement strategies to achieve these goals; and obtain feedback to promote decision making." This definition assumes that the individual is responsible for managing his or her own decisions and development. Previously organisations took a more paternal view when it came to career management and assisted employee as he or she made decisions that would impact his or her career. The definition by Greenhaus and Callanan (1994 cited in Lessner and Akdere, 2008) does not suggest that "an individual must advance within an organisation for career management to take place, but does require that the employee continually improve through goal setting and personal and professional development". (Lessner and Akdere, 2008)

To be successful in one's career, employees today have to balance the relationship between their desire for career growth and their attitudes toward their current organisations. Organisations that provide mechanisms for employee career growth create a mutually beneficial relationship with their employees (Tsui *et al.*, 1997:1095).

The impact of turnover on businesses is considered to have a direct and indirect effect on costs of that company, where the cost of turnover can range anywhere between 50 and 150% of an annual salary (Loquercio, 2006: 27). The sheer lack of employees' continuity in these cases can result in high costs in the induction and training of newly appointed employees. One other challenge that arises is that of organisational productivity, which is a direct consequence of turnover (Siong *et al.*, 2006: 231).

Employees leave their current jobs for a number of reasons, the most common are: retirement, dismissal or voluntary resignation. (Winterton, 2004: 372). Businesses invest much in the training, developing, maintaining and retaining of their employees within the organisation. Therefore, managers need to ensure that the cost of employee's turnover is kept to the minimum. (Kadam, 2012: 127)

"The most important contribution, to make a difference in the job market and working

conditions in the business world today, is a motivated, committed, innovative and highly productive human resource" (Aydogdu and Asikgil, 2011: 44). The world of today is characterised by changes and advances in technology, where the primary need is to address the gap in staff satisfaction, organisational commitment and work itself. The success, survival and competitive advantage of any company depends highly on staff commitment, supporting an individual's contributions, and developments to ensure their participation (Aydogdu and Asikgil, 2011: 44).

2.2 DEFINITION OF TERMS

2.2.1 Turnover

"Labour turnover is the movement of employees in and out of the boundaries of the organisation ... the permanent withdrawal from the work situation" (Nel *et al.*, 2004: 551). According to Price *et al.*, (2007: 51), "turnover occurs when an employee leaves a specific job or organisation permanently and his/her services are no longer available. As a result of turnover, a new employee must be hired." Consequently transfers are not considered as labour turnover

Turnover can be classified into voluntary turnover which is related to organisational factors, such as remuneration, promotions, work challenges, leadership work opportunities or individual factors such as ill health and further study (Price, 1977; Wanous, 1979, cited in Chang and Chang, 2008: 164).

Involuntary turnover relates to the dismissal of an employee (Price, 1977; Wanous, 1979, cited in Chang and Chang, 2008: 164). Voluntary turnover can be further classified into functional turnover relating to the negative appraisal of the employee by the company (Chang and Chang, 2008: 164). It happens at times when the organisation wishes for employees to leave the business, and the employee also wishes to leave (Chang and Chang, 2008: 164). Dysfunctional turnover relates to the positive appraisal of an employee by the company as the organisation wants the employee to remain in the business; however the employee still exits the organisation (Chang and Chang, 2008: 164).

2.2.2   Retention

One of the most important drivers of a company's growth and productivity is the quality, availability and stability of its employees (Chiboiwa *et al.,* 2010: 2103). Chiboiwa *et al.,* (2010: 2104) defines retention as "a voluntary move by an organisation to create an environment which engages employees for a long term".

Chiboiwa *et al.,* (2010: 2104) iterates that one of the main reasons for retaining employees is to stop competent staff from leaving the company. However, if these employees do leave, it can have a profound negative effect on productivity and profitability. Retention is about those policies and practices that "encourage and create positive working conditions and an environment that encourages employees to stay with the company in the longer term." (Martin, 2010: 233). Employee retention still remains one of the more critical matters in any organisation. Companies become increasingly dependent on the top performers in achieving a competitive advantage and to succeed in adapting to market changes (Chiboiwa *et al.,* 2010: 2104-2105).

The labour demand and retention of key and talented employees are challenges, not unique to South African businesses (Frost, 2002 cited in Roodt and Kotze, 2005: 48).

Frost (2003, cited in Roodt and Kotze, 2005: 48) further highlights that in South Africa, these challenges are worsened by other factors, namely; the emigration of top labour resources to countries offering better conditions is taking place at an alarming rate. An oversupply of unskilled labour and an under-supply of skilled labour, the relative scarcity of specialist and managerial employees. A national drive to address employment equity, which is fuelling the war for talent among people from designated groups.

Johnson (2002, cited in Roodt and Kotze, 2005: 48) states that in order for South African business to succeed there are viable options available such as, to become and remain an employer of choice thus becoming a "talent magnet" that is able to attract and retain people with the required profile. "To develop, retain and efficiently utilise the employer's existing talent pool".

2.2.3   Factors of Turnover and Retention

The following section will focus on those factors that can lead to employees exiting their current employment, as well as the most common reason why employees remain within current career paths.

Data derived from exit interviews within Eskom (Kabaale, 2013), has highlighted factors as pertinent to why individuals leave the business, which are:

o   Career Development

o   Remuneration

o   Leadership / Management Style

o   Job Satisfaction and Meaningfulness

o   Organisational Climate

o   Work and Personal Needs Imbalance / Family reasons (Personal Factors)

Riggs and Rantz (2001: 45) conceptualised staff retention as a function of the intersection between sets of financial, organisational, work role / job satisfaction and individual / personal factors, as depicted in Figure 2.1.

FIGURE 2.1 CONCEPTUALISATION OF STAFF RETENTION.
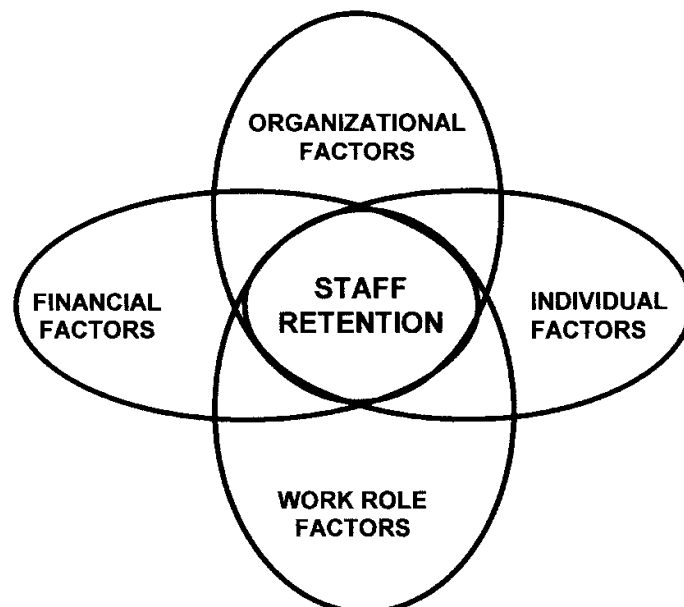
Source: Riggs and Rantz (2001: 45)

2.2.3.1 Career Development:

Increasingly, individuals do not mentally and physically attach themselves to one-single firm, regardless of the conditions within which the company operates. Instead, job mobility has been heightened, making the possibility of career change and job mobility a common phenomenon (Rousseau, 1998: 218). Career development goes beyond the mere simple promotion reward, it includes factors such as improving skills, preparing for the future and maintaining existing skills. Firms, who have a prominent and successful career development program, can see that investment paying-off as it leads to improving employee performance, exposing salespeople to corporate culture, reinforcing key values, assisting salespeople in career advancement, and providing employee perks (Yang *et al.*, 2012: 845).

In today's business world individuals go through an array of different career paths in similar or other industries. In order for an individual to be highly successful in a job, they need to have a relationship between an improved career path and the relationship with their current employer (Weng and McElroy, 2012: 256). An improved career path is a good determiner of "employee–organisational relationship" (Weng and McElroy, 2012: 256). However, one would expect that "any relationship between career growth and employee outcomes would depend on whether the employee is committed to pursuing a career, rather than simply holding down a job, in the first place" (Weng and McElroy, 2012: 256).

Ko (2012: 1006) terms "career" as explainable by referring to it as "a sequence of jobs held by an individual in his or her lifetime; or a series of job outputs performed over time; or as a pattern of job experiences covering the life of a person".

(Weng and McElroy, 2012: 257) mentions the theory of "met expectations" which indicates that an individual's attitude and behaviour to be the consequence as to the level to which expectations are met within a company (Weng and McElroy, 2012: 257). According to Chang (1999: 1257-1258), staff who strive to grow in their career, expect higher growth opportunities

within their own environment. If such an employee meets his or her potential for growth within the organisation, such an employee is likely to stay with that company. However, failure to achieve that promotion will automatically lead staff to seek alternative jobs. Career growth prospects are as encouragements within the "framework of the psychological contract" indicates that these incentives are provided by the organisation, the employee responds by giving more to the organisation's goals (Chang, 1999: 1258).

The results of a study done by Weng and McElroy (2012: 262) shows that employee's whose expectations are met and their "psychological contracts" therefore infused, can result in a more psychological attachment to their organisation, and are therefore less likely to exit. For example, "career goal progress, reflects the association between one's career goals and one's current job. If this association is strong, one becomes more socio-emotionally linked to their employer, which decreases their inclination to look elsewhere for work" (Weng and McElroy, 2012: 262). This is a strong element of Turnover in Career Development, as it highlights the importance of having a congruent relationship, between employer and employee.

"Professional ability development", can be explained as the degree to which an individual can learn new skills in one's current organisation, which results in working there seeming more attractive. (Weng and McElroy, 2012: 262). Finally" the finding of a negative relationship between organisational rewards and turnover intentions may also be explained by the idea that receipt of rewards leads to increased commitment" (Weng and McElroy, 2012: 262).

2.2.3.2 Remuneration

Remuneration satisfaction is the main concern to both employees and employers. Remuneration is important as it satisfies economic needs. The importance of employees being happy with their pay is fundamental to relationship building as this may impact their attitudes and behaviours (Singh and Loncar, 2010: 470). In the service sector employers spend as much as 70-80% of their annual budget on wages and benefits. This

concern has far reaching implications for the sustainability of an organisation, if it's not possible to ensure decent returns on their investments (Singh and Loncar, 2010: 470). Singh and Loncar (2010: 470) echoes furthermore that a company's reward system is considered by many as a strategic tool to ensure the alignment of the interests of employees and management, in order to improve the firm's performance. For many employees, turnover is a major concern due to the time and monetary value involved in addressing the issue. In the event of an employee exiting employment, the organisation is forced to spend scarce resources; both money and time, to either replace the staff member, or allow others to cover the work (Singh and Loncar, 2010: 472). If employees perceive being underpaid, the employer may restore equity by increasing pay, benefits, promotional opportunities, job security and offer better working conditions. Employees, at times have limited to no influence on the outcomes, resulting in them quitting their jobs after trying and ultimately failing to restore equity (Singh and Loncar, 2010: 472)

Remuneration must be planned for by companies. This includes remaining competitive not only within the private sector but also in the public sector (Doll, 1983: 76). Doll (1983: 76) goes further and highlights that it is of fundamental importance to inform staff , more so seniors in the company that it can be financially beneficial to stay in the company. The example used by Doll (1983: 77) is that when a staff member leaves at a managerial level versus the senior level, he or she will get a promotion with more compensation.

Remuneration is viewed as a "lower-order, hygiene need, it is important to maintain adequate remuneration levels", among high performers (Winterton, 2004: 377). "For most individuals the reality of an instrumental attachment to work necessitates sufficient reward to maintain the cash nexus irrespective of the ideology and idealism of psychosocial motivation theories" (Winterton, 2004: 377). Equity theory (Adams: 1963: 423) highlights the fact that "relative perceived treatment is important, and where the individual's outcome-input ratio compares favourably with their

perception of other people's, they experience equity, feeling properly rewarded in relation to others".

Allowance increases, though often used, are one of the least effective operational retention approaches. For example: "Assuming you have a diverse employee population, what's attractive to one group may have little appeal to another. Retirement benefits, while relevant to older employees, may mean little to recent graduates" (Numerof *et al., 2004*: 18). "When benefits are structured to meet the needs of your employee population base, they're an important part of the retention mix. Put careful thought into this. Benefit change-decisions, because, like compensation, once changes are made they become "de-motivators" if they're later removed" (Numerof *et al*., 2004: 18).

2.2.3.3   Leadership and Management Style

Corresponding turnover trends are directly proportional with good governance and an excellent transformational leadership style. Research shows that staff's intention to leave is more directly related to managers or supervisors than co-workers (Hayes *et al*., 2012: 889). Hayes *et al*., (2012:889) states that managers must be great leaders. Their visibility is of cardinal importance, effectively liaising with their employees and their willingness to provide praise and recognition where it is needed most. Supportive management also involves the promotion of communication and being part of a team (Hayes *et al*., 2012: 889).

Furtodo *et al.,* (2011: 51) focuses on research which shows that some "leadership qualities are implicated in greater satisfaction and this can be translated as the reduction of turnover intention". This implies that managers can correctly make the assumption that low turnover is equal with an efficient organisation, and yet we need to inflate this linear approach, and take into account that this marvel should include a focus on who is moving away from the company and not only on the frequency by which

employees exits, workforce stability is an important variable that can explain turnover.

For long-term sustainability, success and improved retention is mostly achieved by utilizing several leadership styles, as well as transformational leadership (Forest and Kleiner, 2011: 256). Improving morale among members of the organisation, can guarantee improve the decision making as it will reflect the common goals of those in the company (Forest and Kleiner, 2011: 256). To share in the picture of the company's vision and its purpose can release creativity and pride within it (Forest and Kleiner, 2011: 255).

The high level of integrity, accountability and trustfulness of leaders of any organisation is imperative. The matter of trust is grounded in the belief that the company's leadership are individuals that are honest and lead with accountability and integrity (Forest and Kleiner, 2011: 255). When staff and the company's values are paralleled and they share the same values, the bond between management and employees is strong, it leads to a decrease in conflict and the vision and mission of the organisation are taken to the core of the business. The leaders in a company need to act consistently. It must be part of their being. The value system of a true leader must not "waver with the tide but rather remain steadfast on the values of the organisation" (Forest and Kleiner, 2011: 255). Staff need to be assured that they can wholeheartedly depend on their seniors to remain focused and steadfast in achieving the goals of the company. This is evident in cases where the leader's core value system is in line with the mission and vision of the company Organisations that are successful share the same core values, which includes an open and honest communication between its employees (Forest and Kleiner, 2011: 255).

Burns (1978, cited in Forest and Kleiner, 2011: 255) states that, "Transformational leadership appeals to the moral values of followers in an attempt to raise their consciousness about ethical issues and to mobilize their energy resources to reform institutions".

Forest and Kleiner (2011: 255) reiterates the fact that transformational leaders are known for "empowering their employees and fostering a sense of commitment to an organisation as well as encouraging creative input from their staff". The methods this leadership type uses include: "delegating authority to others; developing employee self-confidence and skills; creating self-managed teams; providing access to all the data necessary to complete the task; eliminating unnecessary controls; and building a strong culture" (Forest and Kleiner, 2011: 255).

2.2.3.4   Job satisfaction

Ko (2012: 1005) indicates that job satisfaction can best be described as the feelings staff have regarding their careers. It is therefore a function of the perceived relationship between the employee's expectation on his/her career and the actual staff input receives from that career, it therefore directly links to the value and importance that employees attribute to their careers. Job satisfaction is an "attitudinal measure" which measures the views of past experiences and rewards to their current view of a job. Job satisfaction measures include intrinsic and extrinsic satisfaction. "Intrinsic satisfaction is determined by achievement, independence and variety, while extrinsic satisfaction includes pay, promotion, relationships with co-workers and working conditions" (Ko, 2012: 1005).

Voon *et al.*, (2011: 26), too states "that job satisfaction has two components; intrinsic (here referring to work itself) and extrinsic (dimensions of the work external to the task itself) job satisfaction". The working conditions are the environment of employment which encapsulates the relationship with management functions, mentoring system and others. Organisations which have insufficient work conditions, unconstitutional managerial practices and inadequate staffing will ultimately affect staff turnover as well as the view the employee has of the organisation and work. To retain key employees in the business, remains a critical issue for any business. Companies heavily rely on their top talent to ensure a competitive

advantage and to ensure the staff adapt to market changes (Chen *et al.,* 2011: 159). Chen *et al.*, (2011: 159) says that employee turnover theories have been highlighting the fact that job satisfaction plays a vital role in the process. In particular, the most common theme in turnover theories is the notion that job satisfaction directly and also negatively relates to staff's intentions to leave their employment (i.e., turnover intentions).

Job satisfaction plays a key role for the subjective well-being and is a crucial factor for labour market outcomes. "Greater employee well-being is associated with better job performance, lower absenteeism, and reduced job turnover, and is therefore of particular interest to firms and other organisations" (Kaiser, 2005: 1). One of the most consistent findings in empirical labour economics is that of a large and significant difference between men and women's pay. Estimates of the ratio of the pay of women to that of equivalently qualified men doing the same type of job have ranged from 94 to 49%, with a recent estimate of 80%. There is also extensive evidence that women's jobs are worse than men's in terms of hiring and firing, job content, promotion opportunities and sexual harassment. Even so and despite their higher levels of reported stress in their life, women consistently report higher job satisfaction scores than do men (Clark, 1997: 342)

The theoretical distinction between intent to stay and job satisfaction, is that job satisfaction is an "employee attitude, and intent to stay is a behaviour" (Debisette and Vessey, 2011: 20). In organisational literature, models regularly stipulate "job satisfaction as an intervening variable between work-related, organisational and individual factors and intent to stay" (Debisette and Vessey, 2011: 22). According to Collins *et al.*, (2000: 4) a number of factors have been linked to job satisfaction including autonomy; respect and recognition; social integration; stress and organisational commitment; communication with supervisor and manager; recognition; routinization; communication with peers; fairness; locus of control and finally management style.

2.2.3.5   Organisational Climate

Research indicates that the culture and climate of the organisation directly affect an employee's career decisions (Van Vianen, 2000; Young & Hurlich, 2007 cited in Parzinger *et al.*, 2012: 39). This alludes to the fact that staff with a perfect fit into the culture and climate of their company, are less likely to leave the company and search for alternative employment somewhere else. In return, the culture and the climate of an organisation is highly affected by the leader of that company, division, or department. The capacity of leaders to recognize contextual elements most important to job satisfaction and turnover can reduce many problems and save money (Van Vianen, 2000; Young & Hurlich, 2007 cited in Parzinger *et al.*, 2012: 39).

Svyantek and Bott (2002, cited in Parzinger *et al.*, 2012: 40). Defines organisational culture as a "set of shared values and norms held by employees. These values and norms guide interactions with peers, management, and clients". Organisational climate, on the other hand, represents "employees' perceptions of organisational policies, practices and procedures that support creativity, innovation, safety or service". Svyantek and Bott (2002, cited in Parzinger *et al.*, 2012: 40) "Climate might be considered a manifestation of culture" and "the atmosphere created by the established norms and perceptions can impact an individual's level of job satisfaction and intentions to leave the organisation".

Young and Hurlich (2007: 176) developed a model of "person-organisational fit based on gender theories, gender enactment, person-group fit and person-organisation fit". They advocate that deviations from accepted gender-related behaviours can lead to stress and lower levels of self-efficacy, while also influencing career decision-making. Young and Hurlich (2007, cited in Parzinger *et al.*, 2012:39: 34) state that in a study by Van Vianen and Fischer the link between gender, ambition and organisational culture preferences was highlighted. In this research a "feminine dimension of organisational culture was operationalized with three scales: positive feedback, peer cohesion, and participation. Masculine

dimensions of organisational culture were also operationalized with three scales work pressure, effort, and competition. Gender differences in culture preferences were found for lower-level employees, but not for employees at management levels. In general they found that, even in more feminine-oriented organisational cultures, managers have relatively high masculine culture preferences compared with other employees in the same organisation. There is as much controversy over the definition of organisational climate as there is with organisational culture".

Organisational factors affecting staff retention include the administrative structure and personnel policies of the company, care, supervision, and communication. For example, "nursing homes retain traditional bureaucratic structures in which the focus is on "standard operating procedures" and "control that is concentrated at the top." (Riggs and Rantz, 2001: 45). This form of organisational structure may require an expected work environment. It is not favourable to flexibility. "Open, flexible organisational structures contribute to the commitment, satisfaction, and retention of employees to the degree that they demonstrate support for individual workers" (Riggs and Rantz, 2001: 45). "Shared participation in decision making, equity in implementation of policies, access to formal and informal support systems, effective interpersonal relationships and supervision, and multi-channelled open communication are all factors shown to relate to staff retention and that would define the nursing home as a "relational community (Riggs and Rantz, 2001: 47).

2.2.3.6   Personal Factors

Ali Shah *et al.*, (2010: 169) highlight personal factors such as family issues, health problems, education of children and societal status as causes and contributors to high turnover intentions among employees. Another important factor which was highlighted by the authors named: "Job-Hopping", can also lead to an increase in turnover. This is mainly the result when there is a labour shortage being experienced and a surplus of labour available, which causes employees to move to another job for better

remuneration. There is also an "understanding that believe that employees "job-hop" for no apparent reason or just for the fun of it and also to improve their resumes in many instances. For example, a staff member hears that his colleague or family member has done so, and then he/she decides to do the same" (Ali Shah *et al.*, 2010: 170).

To keep jobs attractive, "the overall goal should be to restore and protect the attractiveness of certain careers as an occupation for all potential applicants." (Cangelosi *et al.*, 1998: 29). The factors include: "The variety of daily work; the support and friendship of colleague; the ability to fit work around social responsibilities; Opportunities for learning, Diversity and promotion." (Wilson, 2006: 32).

Doll (1983: 80) emphasizes retention factors as: "try to spread overtime around so that it isn't too heavy on a few people, for example offer the staff an overtime bank, whereby they would be paid in days off during slack periods in lieu of pay for overtime"; offer staff training on time management, in order for them to manage their work more efficiently; hire interns during the busy periods, to assist staff" (Doll, 1983: 80) and hold events for employees and spouses to interact at work functions, picnics or outings, dinner dances, so they can socialize more. Occasionally endeavour to "reward staff members who are putting in the additional time, perhaps with dinner on the firm. Get staff involved in professional organisations" (Doll, 1983: 80). Make staff aware that all their professional time doesn't necessarily have to be spent in accounting and auditing but that there are other activities which are rewarding, enriching and enjoyable (Doll, 1983: 80).

2.2.4   Retention Strategies

Yang *et al.*, (2012: 839), many studies have been done on the issue of industry turnover, many businesses perceives the problem as part of the nature of certain industry operations. However, other businesses have undertaken the development of solid retention strategies, such as "Human Resources Management (HRM) strategies,

internal marketing strategies, and knowledge retention strategies. The former two strategies serve to enhance employee job satisfaction while the third strategy could reduce the loss of organisational knowledge due to employee turnover".

2.2.5 HRM Strategies

HRM strategies include intrinsic rewards, training, career development, compensation policies and inter-departmental transfers (Yang *et al*., 2012: 839). In addition, Yang *et al*., (2012: 839) emphasised that a "selective hiring procedure is important to retain talented employees." "Realistic job expectations would mitigate employee turnover caused by psychological issues for first-time workers in the industry, to supplement the "above tactics by promoting a facilitating and/or mentoring system where newcomers are assigned a facilitator and/or mentor during the assimilative stage of their employment with hotels. This could enable new employees to adapt to the work environment without uncertainty" (Yang *et al*., 2012: 839).

2.2.6 Internal Marketing Strategies

Yang *et al*., (2012: 839) indicated that internal marketing strategies in many studies found to motivate employees and to increase their job satisfaction, reducing the turnover rate. This included:

- Management support for employees and encouragement of staff to adopt market-oriented behaviours,
- An increase in education and training to enhance staff skill levels,
- More efficient internal communication and coordination
- Integrating Marketing with human resource to maintain and reward employees for hard work, and
- External marketing communication.

The needs of staff are satisfied through training, motivation and education, hereby-empowering employees to share in the organisations developmental objectives and enhancing performance and improvements in service delivery.

2.2.7   Knowledge Retention Strategies

Knowledge management supports the understanding that if turnover rates cannot be declined, engaging in strategies such as sharing knowledge, organisational learning, and socialisation can result in a decrease the impact of employee turnover on the company's performance (Yang *et al.*, 2012: 839). By sharing the process, shared knowledge can be achieved by effectively communicating and giving feedback. As the company's knowledge of operations is enhanced and retained, a continuous learning-sharing process, is nurtured. "An ideal climate for enhancing organisational learning would be organisational support at the workgroup level and leadership in mentoring and facilitating roles, along with positive individual attitudes to learning and sharing (Yang *et al.*, 2012: 840). Such a workplace climate allows organisational members to feel free and willing to share during the entire working day" (Yang *et al.*, 2012: 840).

Other factors given by Ongori (2007: 52) include workforce optimisation, the company's success in increasing and capitalising on the performance of the staff by looking at crucial and essential processes for getting work done, giving suitable working conditions, taking accountability and employing the right individuals would definitively help to keep staff in their business. The importance of understanding the factors, which influence recruitment, motivation and retention of employees, is further underscored by rising personnel costs and high rates of employee turnover. Ongori (2007: 52) highlights that "with increased competitiveness on globalisation, managers in many organisations are experiencing greater pressure from top management to improve recruitment, selection, training, and retention of good employees and in the long run would encourage employees to stay in organisations".

2.2.8   Conclusion

Reading through the literature, accumulated through many, many years of research, it is of cardinal importance to iterate at this stage, that the information available on turnover and retention is both vast and extensively researched.   The field of organisational turnover and retention are very well grounded in academic literature and up to date with current trends and viewpoints.

The literature highlights to a significant degree the disruptive and costly nature caused by turnover in the modern workplace. The fact that employers nowadays need not look at profit in isolation, but more on managing those relationship within the business that ensure a positive profit margin is secured. Staff turnover is a game-changer in today's business worlds.

Elements such as job satisfaction highlights the fact that individuals who want to grow in their careers, remain within a company if their career growth becomes a reality, while those individuals who do not have these aspirations fulfilled, will leave the organisation, in order to seek other employment where these dreams do become a reality. Remuneration satisfaction remains a powerful retention tool for business however research shows that it is actually not as important as organisations want to believe it is. Job satisfaction on the other hand plays a vital role in turnover theories as it directly and also negatively relates to staff's intentions to leave their employment

In this research study, elements such as job satisfaction, remuneration, organisational climate, management and leadership styles and personal factors were explored.

Further to this study are retention strategies, human resources management, internal marketing and knowledge retention strategies were highlighted. These factors provide organisations with vital tools which, if implemented successfully, can be highly beneficial to eradicate the effects of turnover in the workplace, and can ultimately lead to organisations creating a competitive advantage.

Veracity, compassion and trustfulness in leadership in any organisation is imperative and of cardinal importance in order to achieve a competitive advantage. This element of trust is based on the belief that the company's leadership are individuals that are honest and lead with accountability and integrity. In collective partaking in organisational decision-making, fairness in execution of policies, effective interpersonal relationships and supervision access to formal and informal support systems, and open communication are all factors shown to relate to staff retention in any organisation.

Although the viewpoints of authors on turnover and retention in this study is somewhat extensive, it should however be noted that the list is not exhausted. More extensive research studies are needed, pertaining specifically to the South African context and background. Such studies must highlight the main reasons, effects and possible solutions for why such a diverse group of individuals, all with different cultures, race and social background experience turnover in the workplace and what is being done to retain these employees in the workplace.

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SECTION 3 – DESCRIPTION OF RESEARCH METHODOLOGY

3.1   INTRODUCTION

The format of the research paper is that of an Evaluation Research paper. According to Ritchie and Lewis (2003: 29) "Evaluative research is concerned with issues surrounding how well does it work".

3.2   OBJECTIVES OF THE RESEARCH

Of interest in this study was to explore the main factors that affect the intention of Eskom employees to either remain with or leave the enterprise.

Objective(s):

- To ascertain the factors which lead to turnover within the Eastern Cape Operating Unit.
- To investigate which factors will assist in the retention of in the Eastern Cape Operating Unit.
- To design a document which states the main factors which lead to turnover and possible retention strategies to assist staff in the Eastern Cape Operating Unit.

3.3   METHODOLOGY

Post-positivist research will be conducted which researchers believe will assist in reaching a full understanding, based on experiment and observation. Concepts and knowledge are held to be the product of straightforward experience, interpreted through rational deduction (Ryan, 2006:13).

The dominance of positivist assumptions about research has at least two effects. First, it leads people to assume that if social research is done properly it will follow the model of the natural sciences and provide a clear, unambiguous road to the causes of certain social or psychological phenomena (Ryan, 2006:13). Some assume that it can predict social trends and can even be used to control events. It was at one time assumed that positivist-empiricist

modes of enquiry could produce a science of society. This assumption was in turn made possible by the assumption that there were one-to-one correspondences between social phenomena and their causes. Most people rightly treat assumptions about causes with caution, recognising that it is rarely possible to show a direct cause for some aspect of the social world. But even when people recognise the complexity of social phenomena and the difficulty of pinning them down in a scientific way, assumptions may persist about how research should be carried out. (Ryan, 2006: 14).

3.4   POPULATION AND SAMPLE SIZE

The population of this study is all the Managerial staff of the Eastern Cape Operating Unit. Babbie and Mouton (2006: 124) defines population "as an aggregation of elements from which the sample is actually selected". "The study object may be individuals, groups, organisations, human products and events, or the conditions to which they are exposed" (Welman and Kruger, 2003: 46).

Sampling, according to Panneerselvam (2004: 191), is a" process of selecting a subset of ran-demised number of members of the population of a study and collecting data about their attributes. The limited members of the population selected for sampling are called sampling units. Based on the data of the sample, the analyst will draw inference about the population". The sample population will consist of all the Managerial staff of the Distribution Division of the Eastern Cape Operating Unit, which relates to 144 individuals.

3.5   DATA COLLECTION

The "Retention" questionnaire (Appendix 4.2) was distributed to the sample size as determined in section 3.4 above. All participants were requested by email to complete the questionnaire in their spare time. The average time to complete the questionnaire was 20 minutes. This was determined by the researcher as well as 2 colleagues in the researchers department completing the questionnaire before it was sent out to the sample size selected.
All completed questionnaires were stored on an on-line data repository (Google Drive). The data was extracted by the researcher and analysed utilising Microsoft Excel (2010).

3.6   THE INSTRUMENT

The instrument used was similar to that used by Masibulele Mrara in his 2010 thesis titled "An Investigation of Turnover and Retention Factors of Health Professional Staff within the Eastern Cape Department of Health". The instrument was slightly modified by the researcher.

The questionnaire consisted of 2 sections viz.

- Section A - seven biographical questions.
- Section B – 52 questions broken up into four sub-sections which examine factors related to staff retention and turnover viz.
    o Section B1 – thirty question on factors that would influence an employee's decision to stay or leave the organisation. It was of a Likert scale format and the respondents were asked to rate their level of agreement with certain statements on a scale of 0 – 10.
    o Section B2 – three questions on external factors that may influence an employee to leave. It was of a Likert scale format and the respondents were asked to rate their level of agreement with certain statements on a scale of 0 – 10.
    o Section B3 – nine questions on the employees intention to quit. It was of a Likert scale format and the respondents were asked to rate their level of agreement with certain statements on a scale of 1 – 7.
    o Section B4 – ten questions on how to manager staff retention. It was of a Likert scale format and the respondents were asked to rate their level of agreement with certain statements on a scale of 0 – 10.

3.7   DATA ANALYSIS

Information gathered was stored in an electronic data repository (Google Drive). The information was extracted and analysed using Microsoft Excel (version 2010) with the following objectives:

- To determine the main turnover and retention factors impacting the organisation.
- To identify any differences in the mean scores amongst turnover and retention factors.

- To test for correlation between sections B1 and B3, as well as sections B1 and B4.
- Given that the results of the data analysis highlighted factors (turnover and retention) that were internal to the organisation, no analysis was completed for section B2 of the questionnaire as all the questions in B2 were testing external factors.

3.8   ETHICS

Permission to conduct the research was obtained from the General Manager of the Eastern Cape Operating Unit (see Appendix 4.4).

The researcher has ensured that all respondents:
- Had given their informed consent.
- Had a holistic understanding of the nature of the study.
- Had a full understanding of their requested involvement in the research.

The researcher also ensured that, the online questionnaire was completed in a safe and secure environment i.e. In the respondent's respective offices or workstations. Confidentiality and anonymity was guaranteed. The respondents were not required to input any personal data on the questionnaire (i.e. Name and or Employee number). Data gathered will not be shared with management at Eskom, only results of responses will be shared.

3.9   LIMITATIONS AND CONCLUSION

The main focus of the study was managerial staff at Eskom based in the Eastern Cape Operating Unit. The reason for choosing this specific sample was that all managerial staff have access to laptops, thus they were able to complete the questionnaire anywhere and not only the office. Also most of the managerial staff would have a tertiary education.

The researcher is of the belief that further studies should be undertaken with managerial staff from the eight remaining Operating Units. This sample will have a larger base and assist in identifying trends across the organisation.

3.10 REFERENCES

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APPENDICES

Dear Colleague

Re: Invitation to participate in research study

You are invited to participate in my MBA research study entitled "An empirical study on staff turnover and retention within Eskom: Eastern Cape Operating Unit.". The aim of this research is to explore the main factors that are affecting the intention of Eskom employees to either remain with or leave the enterprise. Your participation and cooperation is important so that the results of the research are accurately portrayed. This questionnaire is being sent to all Managerial employees (M, P, S & G bands) within the Eastern Cape Operating Unit.

The research will be undertaken by completing an electronic survey. This is accessed by clicking on the link below. The data to be collected from this research will be stored in a repository to be statistically analysed by myself and later used for publication. Your identity and that of your institution/department/site will be treated with complete confidentiality. The questionnaire will require about 20 minutes of your time to complete, as there are only 59 questions that need answering. Please read each question carefully. All answers will be captured and treated as anonymous and will be electronically collated to form the data base of the research.

While participation in this research is voluntary and you will be able to withdraw at any stage should you feel the need to, I encourage you to complete the survey as it may be helpful to the organisation and you. It is also hoped that the study will also play a significant role in the contribution to the academic knowledge on this topic.

Should you have any queries about the research, please feel free to email me at chibbar@eskom.co.za , or my supervisor, Prof Noel Pearse at N.Pearse@ru.ac.za.

Thank you for your time and I hope that you will find this request favourable.

The Survey Link to click on is:

https://docs.google.com/forms/d/15vILZyHxXg3uVirsaTxymseZIjndaRzErPFcgHSFB64/viewform

Yours sincerely,

Rajesh Chibba   Prof. N. J. Pearse

Research Student   Supervisor

4.2   QUESTIONNAIRE

Eskom Retention

Attached is a questionnaire designed to gain insight into what influences employees to remain working for Eskom or leave the organisation. It is aimed at a cross section of employees. This is to assist in completing my Thesis for my MBA.

The aim of the research is to get your views on what would influence your decision to stay or leave the employment of Eskom. It also aims to establish the practices Eskom could apply that would positively affect the retention of its employees. The results will be used mainly for academic purposes and the final report will be available on the Rhodes University Intranet for your information. A copy of the results will also be made available to the management of Eskom, and may be used by management to reconsider Eskom's Human Resource Management policy and practises. However, the ideas listed in this questionnaire are derived from the literature and should not be misinterpreted as ideas that are already part of Eskom plans, or as ideas that will definitely be adopted.

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* Required
Section A: BIOGRAPHIC DETAILS OF THE RESPONDENT

Please note that this information will be used to make group comparisons only and your questionnaire will not be analysed or reported on an individual basis.

1. Ethnicity of respondent *

2. Age of respondent *

3. Gender of respondent *

4. Job level *

5. Length of service at your current employer (In years and months e.g. 5 years and 2 months) *

6. Highest Educational Qualification obtained *

7. Division or section

Section B

This section of the questionnaire examines issues related to staff retention and turnover. It is an opinion questionnaire and as such there are no right or wrong answers. You are simply requested to answer as honestly as possible, expressing your opinion on the scale provided. It is important that you show some differentiation in your responses to indicate which factors are more important than others. Do not take too long in deciding on your answer to any of the items. Usually your first response is accurate.

Section B1: Factors That Influence Your Decision to Stay or Leave the Organisation

Please indicate the degree of importance of the following factors in either influencing you to stay on or leave the employment of your current employer or place of work. A score of 10 means that this factor is extremely important in retaining your employment; while a score of zero (0) means that this factor is extremely important in influencing you to consider leaving. A score of 5 means that the factor would neither influence you stay or leave i.e. 5 is the midpoint. It is important to first be clear on what the factor means for you and then decide on its influence on you staying or leaving. For example, you may decide that the public reputation of your employer is very good, but compared to other factors, this factor does not influence your decision to stay or go. Then a low score or even a score of 5 would be appropriate. Another example is that you may describe the organisational culture as very formal and regulated, and like this aspect of the organisation. Then you may rate organisational culture as a positive influence on your staying, and may give it a score of 7. On the other hand, you may not like the way the organisation is structured at the moment and this is making you unhappy. You would probably then give this factor a low score, maybe even zero (0) if you feel very strongly about it.

1. The purpose or vision and mission of the organisation *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

60

2. The structure of the organisation *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

3. The plans and changes that the organisation is implementing *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

4. The organisation's policies, systems and processes *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

5. The degree of fairness and consistency in the way in which policies are implemented *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

6. The way the organisation is being led by top management. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

7. The degree to which the organisation listens or does not listen to the views and ideas of its employees *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

8. The quality of my manager's leadership and nature of the relationship I have with him or her. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

9. The way people are treated by those in leadership positions. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

10. The way problems are generally dealt with by managers in the organisation *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

11. The learning environment of the organisation. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

12. Developing myself and gaining new knowledge and skills. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

13. The training and development opportunities available. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

14. The amount of coaching and mentoring received *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

15. The amount of opportunity for personal career development and growth, including my promotion prospects *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

16 The size of my pay package *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

17 The way my pay package is structured in terms of its benefits (medical, pension, allowances) and incentives (e.g. performance bonus) *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

18 The degree to which I am fairly or unfairly rewarded for my contribution *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

19 The current performance management system of the organisation. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me

leaving												staying

20 The recognition I receive for what I do. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

21 The balance of work and my other life pursuits and interests. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

22 The amount of time that I spend away from home due to work commitments and travelling each day. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

23 The amount of flexibility I have in terms of when I work and where I work. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

24 The amount of stress, tension and conflict I experience in my job. *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

25 The degree to which the work environment is either sensitive to or indifferent to my personal, family and health related needs *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

26 The degree to which I feel I am doing a job that suits or does not suit who I am *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

27 The degree to which I can achieve my personal and professional goals *

	0	1	2	3	4	5	6	7	8	9	10	
Important influence on me leaving	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Important influence on me staying

28 The status of my job in the organisation *

0	1	2	3	4	5	6	7	8	9	10

| Important influence on me leaving | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | Important influence on me staying |

29 The level of significance or importance of my job. The extent to which the results of my work affect the lives and well-being of other people. *

| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Important influence on me leaving | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | Important influence on me staying |

30 The level of challenge and excitement of work assignments in my area of expertise. *

| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Important influence on me leaving | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | Important influence on me staying |

SECTION B2: External Factors That May Influence Your Decision to Leave the Organisation

There are a number of reasons outside of the working environment, which may influence a person to leave their place of employment. Please provide your opinion of the degree of importance of the following factors to your remaining or leaving the area or your job. A score of 0 means that this factor is not important at all; while a score of 10 means that this factor is extremely important.

31 The quality of education available for my family *

| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Not important at all | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | Extremely important |

32 The availability and quality of health services *

| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Not important at all | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | Extremely important |

33 The people who live in my neighbourhood *

| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Not important at all | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | Extremely important |

SECTION B3: Intention to Quit

Finally, please give an indication of your intention to quit, to show the degree to which you agree or disagree with the following statements, where 1= strongly disagree and 7= strongly agree.

34 I often think about quitting my job. *

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
| Strong Disagree | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | ☐ | Strongly Agree |

35 I will probably look for a new job in the next year. *

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| Strong Disagree | ▢ | ▢ | ▢ | ▢ | ▢ | ▢ | ▢ | Strongly Agree |

36 I never think about quitting my job. *

	1	2	3	4	5	6	7	
Strong Disagree	▢	▢	▢	▢	▢	▢	▢	Strongly Agree

37 I am thinking of leaving the country. *

	1	2	3	4	5	6	7	
Strong Disagree	▢	▢	▢	▢	▢	▢	▢	Strongly Agree

38 I am thinking of leaving the Province I currently work in. *

	1	2	3	4	5	6	7	
Strong Disagree	▢	▢	▢	▢	▢	▢	▢	Strongly Agree

39 I am thinking of leaving the town/city I currently work in. *

	1	2	3	4	5	6	7	
Strong Disagree	▢	▢	▢	▢	▢	▢	▢	Strongly Agree

40 I am thinking of leaving the profession or line of work I am currently in *

	1	2	3	4	5	6	7	
Strong Disagree	▢	▢	▢	▢	▢	▢	▢	Strongly Agree

41 I am thinking of leaving my place of work so as to be closer to my family and friends or to be able to spend more time with them *

	1	2	3	4	5	6	7	
Strong Disagree	▢	▢	▢	▢	▢	▢	▢	Strongly Agree

42 If I wanted to resign this month, I expect that I could easily get another job *

	1	2	3	4	5	6	7	
Strong Disagree	▢	▢	▢	▢	▢	▢	▢	Strong Agree

SECTION B4: Managing Staff Retention

Please provide your opinion of the degree of importance of the following possible management initiatives that could be taken by your current employer to retain you in employment. A score of 0 means that this factor is not important at all; while a score of 10 means that this factor is extremely important.

43 Clarify and communicate the organisation's core purpose and guiding principles and values *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	▢	▢	▢	▢	▢	▢	▢	▢	▢	▢	▢	Very Important

44 Change the organisation structure so that it is flatter and more flexible *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Very Important

45 Improve organisation systems, processes and policies *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Very Important

46 Communicate more with me about what is happening in the organisation *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Very Important

47 Allow me to participate more in decision making and problem solving within the organisation *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Very Important

48 Increase my pay by 25 percent *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Very Important

49 Pay me more, based on my performance or contribution *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Very Important

50 Revise the performance management system *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Very Important

51 Provide me with more opportunities to attend courses which develop me *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Very Important

52 Provide me with a clearer career development path *

	0	1	2	3	4	5	6	7	8	9	10	
Not important at all	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	Very Important

This is the end of the questionnaire. Thank you for completing this questionnaire.

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4.3 TOP THREE TURNOVER ITEMS - ANALYSIS OF VARIANCES.

4.3.1 Question 19 - The current performance management system of the organisation.

4.3.1.1 Age of respondents

Anova: Single Factor						
SUMMARY						
Groups	*Count*	*Sum*	*Average*	*Variance*		
25 years to less than 35 years old	6	11	1.833	0.967		
35 to less than 45 years old	25	44	1.760	3.190		
45 to less than 55 years old	22	41	1.864	1.933		
55 years and older	11	24	2.182	2.364		
ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	1.379	3	0.460	0.189	0.903	2.758
Within Groups	145.621	60	2.427			
Total	147	63				

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.903). At the 5% level of significance, there is no significant difference in mean scores across age.

4.3.1.2 Gender of respondents

Anova: Single Factor						
SUMMARY						
Groups	*Count*	*Sum*	*Average*	*Variance*		
Female	25	44	1.760	2.190		
Male	39	76	1.949	2.471		
ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	0.543	1	0.543	0.230	0.633	3.996
Within Groups	146.457	62	2.362			
Total	147	63				

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.633). At the 5% level of significance, there is no significant difference in mean scores across gender.

4.3.1.3   Job level of respondents

Anova: Single Factor							
SUMMARY							
Groups	*Count*	*Sum*	*Average*	*Variance*			
M/P/G/S 14,15 & 16	53	101	1.906	2.395			
M/P/G/S 17 & 18	11	19	1.727	2.218			
ANOVA							
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*	
Between Groups	0.290	1	0.290	0.123	0.728	3.996	
Within Groups	146.710	62	2.366				
Total	147	63					

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.728). At the 5% level of significance, there is no significant difference in mean scores across job level.

4.3.1.4   Division or Section of respondents

Anova: Single Factor							
SUMMARY							
Groups	*Count*	*Sum*	*Average*	*Variance*			
Business Partners (HR, IM, Finance, Commercial)	21	28	1.333	2.733			
	14	34	2.429	1.341			
Wires	29	58	2.000	2.286			
ANOVA							
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*	
Between Groups	10.905	2	5.452	2.444	0.095	3.148	
Within Groups	136.095	61	2.231				
Total	147	63					

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.095). At the 5% level of significance, there is no significant difference in mean scores across Division or Section.

4.3.2 Question 6 - The degree to which the organisation listens or does not listen to the views and ideas of its employees.

4.3.2.1 Age of respondents

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
25 years to less than 35 years old	8	21	2.625	2.268
35 to less than 45 years old	19	29	1.526	1.374
	23	39	1.696	1.494
55 years and older	12	27	2.250	1.841

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	9.236	3	3.079	1.905	**0.139**	2.764
Within Groups	93.731	58	1.616			
Total	102.968	61				

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.139). At the 5% level of significance, there is no significant difference in mean scores across age.

4.3.2.2 Gender of respondents

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
Male	44	91	2.068	1.646
Female	18	25	1.389	1.546

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	5.895	1	5.895	3.643	0.061	4.001
Within Groups	97.073	60	1.618			
Total	102.968	61				

Reject the null hypothesis as the p-value < 0.05 as seen in the table above (p = 0.061). At the 5% level of significance, there is a significant difference in mean scores across gender.

4.3.2.3 Job level of respondents

Anova: Single Factor						
SUMMARY						
Groups	*Count*	*Sum*	*Average*	*Variance*		
M/P/G/S 14,15 & 16	54	108	2	1.736		
M/P/G/S 17 & 18	8	8	1	0.571		
ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	6.968	1	6.968	4.355	**0.041**	4.001
Within Groups	96.000	60	1.600			
Total	102.968	61				

Reject the null hypothesis as the p-value < 0.05 as seen in the table above (p = 0.041). At the 5% level of significance, there is a significant difference in mean scores across job level.

4.3.2.4 Division or Section of respondents

Anova: Single Factor						
SUMMARY						
Groups	*Count*	*Sum*	*Average*	*Variance*		
Business Partners (HR, IM, Finance, Commercial)	24	35	1.458	1.303		
Group Customer Services	7	17	2.429	1.286		
Wires	31	64	2.065	1.929		
ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	7.424	2	3.712	2.292	0.110	3.153
Within Groups	95.544	59	1.619			
Total	102.968	61				

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.110). At the 5% level of significance, there is no significant difference in mean scores across Division or Section.

4.3.3 Question 7 - The way the organisation is being led by top management.

4.3.3.1 Age of respondents

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
25 years to less than 35 years old	9	21	2.333	2.750
35 to less than 45 years old	23	49	2.130	1.755
45 to less than 55 years old	27	58	2.148	1.208
	13	30	2.308	0.731

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	0.492	3	0.164	0.111	0.954	2.740
Within Groups	100.785	68	1.482			
Total	101.278	71				

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.954). At the 5% level of significance, there is no significant difference in mean scores across age.

4.3.3.2 Gender of respondents

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
Female	20	44	2.200	2.063
Male	52	114	2.192	1.217

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	0.001	1	0.001	0.001	0.981	3.978
Within Groups	101.277	70	1.447			
Total	101.278	71				

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.981). At the 5% level of significance, there is no significant difference in mean scores across gender.

4.3.3.3 Job level of respondents

Anova: Single Factor							
SUMMARY							
Groups	*Count*	*Sum*	*Average*	*Variance*			
M/P/G/S 14,15 & 16	59	128	2.169	1.454			
M/P/G/S 17 & 18	13	30	2.308	1.397			
ANOVA							
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*	
Between Groups	0.203	1	0.203	0.141	0.709	3.978	
Within Groups	101.074	70	1.444				
Total	101.278	71					

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.709). At the 5% level of significance, there is no significant difference in mean scores across job level.

4.3.3.4 Division or Section of respondents

Anova: Single Factor							
SUMMARY							
Groups	*Count*	*Sum*	*Average*	*Variance*			
Business Partners (HR, IM, Finance, Commercial)	25	53	2.120	1.527			
Group Customer Services	12	29	2.417	0.992			
Wires	35	76	2.171	1.558			
ANOVA							
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*	
Between Groups	0.750	2	0.375	0.257	0.774	3.130	
Within Groups	100.528	69	1.457				
Total	101.278	71					

Fail to reject the null hypothesis as the p-value > 0.05 as seen in the table above (p = 0.774). At the 5% level of significance, there is no significant difference in mean scores across Division or Section.

Copy of signed permission to conduct research.

To Whom It May Concern

Date:
01 November 2013

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PERMISSION TO CONDUCT RESEARCH AS PART OF THE MBA QUALIFICATION

Name: Rajesh Chibba

Student No: 687C5447

Dissertation Topic: An empirical study on staff turnover and retention within Eskom: Eastern
                         Cape Operating Unit

It is a requirement of our MBA qualification that I am required to undertake a practical research project as part of my thesis.

Typically this project will be a "practical problem solving" exercise, and necessitate data gathering by questionnaires or interviews.

Your assistance in permitting access to the organization for purposes of this research is most appreciated.

Please be assured that all information gained from the research will be treated with the utmost circumspection. Further, should you wish the result from the thesis "to be embargoed" for an agreed period of time, this can be arranged. I will strictly adhere to confidentiality and anonymity.

Thank you for your assistance in this regard.

Yours sincerely

Mr R Chibba

Supported / Not Supported

Thys Möller – GM ECOU