



**University of Fort Hare**  
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**THE IMPACT OF HUMAN RESOURCE PRACTICES ON EMPLOYEE  
COMMITMENT AND RETENTION AMONG NURSES IN AMATHOLE DISTRICT,  
SOUTH AFRICA.**

**By**

**SHARON RUVIMBO TERERA**

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**SUPERVISOR: MR.C. MURUGAN**

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## **ABSTRACT**

This study explored the impact of human resource practices on employee commitment and retention among nurses in Amathole District, South Africa. The objectives of this study were to determine the influence of human resources practices (HR) on nurse retention in public hospitals; investigate the influence of HR practices on organizational commitment of nurses, and retention and to make recommendations to the hospitals on possible ways to improve the organisational commitment and employee retention of nurses based on the research findings. The study utilized a quantitative research design and questionnaires were used to collect data. The sample comprised of 150 nurses and the data was analysed through descriptive and inferential statistics. Research findings revealed that the effective use of sound human resources practices reduces nurse turnover whilst nurse organisational commitment and retention improves.

## **Declaration**

I, **Sharon Terera**, student number 200909690, do hereby declare that the work titled “**THE IMPACT OF HUMAN RESOURCE PRACTICES ON EMPLOYEE COMMITMENT AND RETENTION AMONG NURSES IN AMATHOLE DISTRICT, SOUTH AFRICA**” is my own work and that, to the best of my knowledge, it contains no material previously published or written by another person nor material which to a substantial extent has been accepted for the award of any degree or diploma of the University or any other institution of higher learning except where due acknowledgement has been made in the text.

I hereby also declare that I am fully aware of the University of Fort Hare`s policy on plagiarism and research ethics, and I have taken every precaution to comply with the regulations. I have obtained an ethical clearance certificate from the University of Fort Hare`s Research Ethics Committee and my reference number is MUR121STER01

Signed.....

.....

**Sharon Terera**

**Date**

## **ACKNOWLEDGEMENTS**

Firstly, I would like to thank God who made everything possible for me up to now.

Secondly, I want to thank my mum, my dad, and my whole family, who have been supporting me all the way.

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## **DEDICATION**

I would like to dedicate this to my parents Mr and Mrs J.Terera. No words can express my gratitude to you for being always there for me. Thank you so much for everything.



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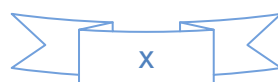
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## CHAPTER 1

### INTRODUCTION AND BACKGROUND OF THE STUDY

#### 1.1 Introduction

Evaluations as well as thorough analysis of current trends reveal that due to the competition for scarce skills, the attraction and retention of quality employees has emerged as the biggest challenge in human capital management. This has resulted in a high turnover rate in most organisations especially in public health institutions. Many skills shortages have been reported especially in South Africa's public health sector (Pillay, 2009). Nurse turnover has been linked to nurse shortages (Goodwin, 2007). The retention of highly skilled employees is now the major concern for many of South Africa's public institutions. To attract, retain and be profitable, organisations need novel human resource management practices.

Many organisations now rely on the excellence of their human capital for success as a result of globalisation (Forgacs, 2009). Reiche (2007) states that one of the ways that enables organisations to gain a competitive advantage in today's global economy is through the expertise of their employees. Hebenstreit (2008) also comments that the world is now so dynamic bringing in so many changes in the labour market such that employee retention has become an issue which requires effective and careful planning from human resources managers and organisational leaders

DeYoung, (2010) reveals in his studies that many organisations are facing challenges in the development of an effective employee retention strategy. Turnover rates are increasing in various organisations. If employees are unhappy with their organisations they tend to leave the organisation (Schuler & Jackson, 2008). This becomes a costly exercise, especially if a valuable employee exits since this result in lost production. In addition, the cost of recruiting another employee is very high and usually takes time.

Retention is often defined as a voluntary action by human resource managers and organisational leaders which enable the creation of an environment that engages and keeps employees for a long time (Chaminade, 2007). Employee retention is therefore a move by an organisation that enables the establishment of an environment which facilitates employees to remain in the organisation for a very long term. This is usually achieved through human resource management practices. Mello (2014) define retention as any action taken by an organisation to retain its skilled employees.

Today`s employees are very different because they now have so many opportunities at their disposal (Kauffman, 2010). If they are not happy with the organisation, they move on to the next organisation. The responsibility therefore lies with the employers to ensure that their best employees are retained. The good employer is one who knows how to attract and retain his or her employees. This can be achieved through devising adequate human resource management practices that are relevant to employee needs (Armstrong, 2012). Samuel and Chipunza (2009) argue that labour turnover among skilled employees is now so high such that organisations should employ strategic retention strategies to gain competitive advantage and improve service delivery.

If employees are to remain in the organisation for a long time, they have to be committed to the organisation (Kauffman, 2010). Organisational commitment therefore plays a great role in the retention of employees. It is therefore management`s obligation to ensure that they have a committed workforce in order to lower turnover rates. This can be achieved through the human resource strategy of the organisation.

For the purposes of this study, five human resource management practices impacting on organisational commitment and employee retention will be looked at. These are training and

career opportunities, compensation and rewards, managerial leadership style, performance management and employee engagement.

## **1.2 Global overview of the nursing workforce: Trends in demand and supply**

All over the world, many countries are facing serious shortages of nurses. In Europe, America and Africa, health care needs are increasing whilst the number of nurses is decreasing (Hardill & McDonald, 2010). The number of elderly people is increasing whilst at the same time their nursing workforce is aging and there are very few new students in nursing (Buchan & Sochalski, 2008).

According to reports from the World Health Organisation, there is a global shortage of health care employees and it costs almost 100% to fill a vacant nurse position (Lehmann, Dieleman & Martineau, 2008). Asia has almost half of the world's population but it has high shortages of nurses (Hardill & McDonald, 2010). The worldwide gap in the supply of nurses is approximately 4.3 million and 57 countries are reported to be with critical midwives and nurse shortages (Oosthuizen & Ehlers, 2007).

Kwak, Chung, Xu and Eun-Jung (2010) also reported that in Taiwan's Health department many trained nurses in Taiwan were not working as nurses because of a high turnover. Similarly, Kober and Van Damme (2006) reported that in the year 2003, a hospital in Swaziland lost 30 percent of their registered professional nurses. Zimbabwe also lost 32 percent of their nurses to the United Kingdom between the year 1999 and 2001 (Chikanda, 2009).

In more developed countries such as the United States of America, Australia and Canada, nursing shortages are also a challenge in rural areas because they were failing to attract health care professionals to those areas (Kwak *et al.*, 2010). These countries now rely on foreign nurses in those remote rural areas (Buchan & Sochalaski, 2008). Nursing schools in the USA



are also reported to be failing to expand their capacity in order to rally the growing demand in health care because of the national shift toward the healthcare reform (Oosthuizen & Ehlers, 2007).

### **1.3 The South Africa Nursing Workforce**

The shortage of nurses in South Africa is no different to that of other countries. The brain drain of South African nurses by other countries has resulted in nurse shortages in the country (Huish, 2013). Hendricks (2006) noted that nurses with special skills are in immense demand by the South African government and are not easy to source.

According to South African National Council of Nurses (2012), there were 32 000 vacant posts of registered nurses in 2010 and it was estimated that in 2015 the country will suffer a nurse shortage of about 20 815 nurses. In South Africa, there is an acknowledgment of a health workforce crisis, characterised by imbalanced skills mix, critical shortages, and uneven geographical distribution of health professionals and migration of nurses (South African National Council of Nurses, 2012).

According to Pillay (2009), the migration of nurses in South Africa takes place on three levels and these are:

- Rural to urban migration
- Public sector to private sector migration, and
- From South Africa to first world developed countries.

#### 1.3.1 Reasons for emigration

There are number of reasons why nurses from developing countries migrate to developed countries. Low salaries, crime, poor working conditions, a lack of development opportunities and economic hardships are some of the reasons why professional nurses leave their countries for developed nations.

According to Breier, Wildschut and Mqolozana (2009), the reasons for nurse migration can be categorised into five main categories:

- *Lack of competitive incentives in the public service*

The salaries and benefits received by nurses in the public sector are low when compared to the private sector or abroad (Breir *et al.*, 2009). This is one of the major reasons why nurses leave the public sector.

- *Work pressure*

The nurse to patient ratio is very high in public hospitals and this result in work overload leading to stress and exhaustion (Litheko, 2008).

- *Lack of space to grow professionally*

Many nurses seek to develop their career in an organisation therefore they seek organisations that provide them with opportunities for growth such as promotions and study leave (Breir *et al.*, 2009).

- *Need for better-resourced working environments*

There is a lack of resources and sophisticated equipment in public hospitals (Pillay, 2009).

- *Escalating crime and the rise of HIV/AIDS in South Africa*

The high rate of crime and HIV/AIDS in the country are compromising the safety of hospitals. This has contributed to nurse emigration (Lehmann *et al.*, 2008)

### 1.3.2 Population per Qualified Nurse per province

The following table shows that the nurse to patient ratio is high in provinces like Mpumalanga, Limpopo and the Eastern Cape. In fact, studies indicate that a large number of nurses in South Africa continue to move to the urban provinces like Western Cape, Gauteng and Free State because of better working conditions and opportunities for development available there when compared to rural provinces like the Eastern Cape (Pillay,2009). However, the nurse to patient ratio is generally high in South Africa regardless of provinces and this indicates that there is a nurse shortage. According to Roussel (2011), the following can be cited as the reasons for nurse shortages in South Africa:

- An ageing workforce. A report on the age analysis of nurses from SANC (2013) shows that most professional nurses are above the age of 50 years and this indicates that they are getting into retirement.
- A decline in nurse enrollment
- Today`s generation does not find the nursing profession attractive

**Table 1: Nurse to patient ratio in provinces as at 2012-09-27**

<b>PROVINCE</b>	<b>REGISTERED</b>	<b>ENROLLED</b>	<b>AUXILIARIES</b>
Limpopo	536:1	1060:1	615: 1
North-West	418:1	1269:1	714:1
Mpumalanga	638:1	1514:1	995:1
Gauteng	382:1	848:1	726:1
Free State	353:1	1393:1	845:1
Kwa-Zulu Natal	380:1	489:1	857:1
Northern Cape	511:1	2 541:1	910:1
Western Cape	377:1	988:1	695:1
Eastern Cape	449:1	1 486:1	1021:1
<b>TOTAL</b>	<b>417:1</b>	<b>882:1</b>	<b>785:1</b>

Source: South African Nursing Council, 2013

#### **1.4 Research Problem**

High turnover is a well pronounced trend in most government institutions especially in the health sector. It is clear that the shortages of nurses due to the turnover problems in hospitals create various problems such as enormous pressure on existing employees, job stress and job dissatisfaction. Pillay (2009) nurses reported that there is a high nurse vacancy rate and the nurse to patient ratio is increasing each year.

One of the main challenges faced by organisations in employee retention is the competition factor. Forgacs (2009) states that many professional organisations are in a dilemma as a result of the competition that is present in attracting and retaining highly skilled workers because when they grow and train their workers, they become more marketable to competitors. However not providing core employees with opportunities for growth and advancement may result in them quitting the organisation (Gillingham, 2008). The test for today`s organisations is therefore to formulate an efficient human resource strategy for retaining these core employees for the success of the organisation.

Skilled labour migration is also another problem being faced by the health sector. Pillay (2009) also discovered that the South African nursing profession is in a crisis as professional nurses are leaving the country in search of lucrative work overseas. Financial constraints to compete with international competitors, exchange rates, tax-free foreign money, the existence of many job opportunities overseas and the tendency that a person`s career is enriched with overseas experience, makes the retention of professional nurses almost uncontrollable for nursing employers in South Africa. Jones (2008) stipulates that many foreign organisations especially in western countries offer better rewards than in Africa, therefore many of South Africa`s health professionals have been flocking overseas.

Another challenge is that most employers are unable to predict the future needs of knowledge workers. According to Beugre (2009) the fundamental issue for organisations is to keep track of the ever changing needs of employees so that they can become an employer of choice to employees. It is very imperative for organisations to have knowledge of these attributes so that they may be able to match their attraction and retention strategy to the needs of the workforce.

Employee commitment is often reflected in the attitudes and behaviour of employees. Commitment to the service of mankind has always been a key concept of professional nursing (Wagner, 2007). However, very little effort seems to have been made to analyse the nature of commitment as a factor in nursing (Scribante & Bhagwanjee, 2007).

Relatively, there is little published research on nurse retention especially in South Africa's health sector. Many studies on human resources practices were mainly done in the financial sector (Pillay, 2009). Therefore, this study focuses on human resources practices and their outcomes on the commitment and retention of nurses in the Amathole District Health Department

### **1.5. Research Objectives**

- To determine the impact of HR practices on nurse retention in public hospitals.
- To determine the influence of HR practices on organizational commitment of nurses
- To make recommendations on commitment and retention strategies which public health institutions can follow based on research findings.

### **1.6. Research Questions**

This study sought to answer the following research questions:

1. How do human resources practices affect the retention of nurses?
2. How do human resources practices affect the commitment of nurses?
3. What recommendations can be made on nurse commitment and retention strategies upon which public health institutions can follow based on research findings?

### **1.7 Research Hypotheses**

The following hypotheses were investigated.

H0: There is no significant relationship between training and development opportunities and organizational commitment.

H1: There is a significant relationship between training and development opportunities and organizational commitment.

H0: There is no significant relationship between training and development opportunities and employee retention.

H2: There is a significant relationship between training and development opportunities and employee retention

H0: There is no significant relationship between compensation and reward practices and organizational commitment.

H3: There is a significant relationship between compensation and reward practices and organizational commitment

H0: There is no significant relationship between compensation and reward practices and employee retention.

H4: There is a significant relationship between compensation and reward practices and employee retention

H0: There is no significant relationship between performance management and organizational commitment.

H5: There is a significant relationship between performance management and organizational commitment

H0: There is no significant relationship between performance management and employee retention

H6: There is a significant relationship between performance management and employee retention

H0: There is no significant relationship between management style and organizational commitment

H7: There is a significant relationship between management style and organizational commitment.

H0: There is no significant relationship between management style and employee retention

H8: There is a significant relationship between management style and employee retention.

H0: There is no significant relationship between employee engagement activities and organizational commitment

H9: There is a significant relationship between employee engagement activities and organizational commitment.

H0: There is no significant relationship between employee engagement activities and employee retention

H10: There is a significant relationship between employee engagement activities and employee retention.

### **1.8 Significance of the study**

This research study will contribute to a deeper understanding of the effectiveness of human resources practices in managing the nurse turnover in public hospitals. It also seeks to establish the connection linking HR practices to organizational commitment. This study might also be very useful to public health institutions in devising strategies for the attraction and retention of the nurses in hospitals. It also assists in the formulation of a strategy for increasing employee job satisfaction which in turn may result in high commitment rates among nurses.

Nurse retention problems are now growing phenomena in South Africa`s public hospitals yet not much research has been done, especially, in the public health institutions to address how human resources practices affect nurse retention. Therefore this research may be able to obtain fresh data to assess theories and assumptions found in Human Resource Management studies on the effectiveness of human resources practices when dealing with commitment and turnover problems.

## **1.9 Theoretical framework**

According to Welman, Kruger & Mitchell (2006) a theory is a statement or set of statements that denote the relations connecting variables with a vision to explain a certain phenomenon. Two theories were used to support literature on HR practices, retention and commitment. These are the two factor theory and the equity theory.

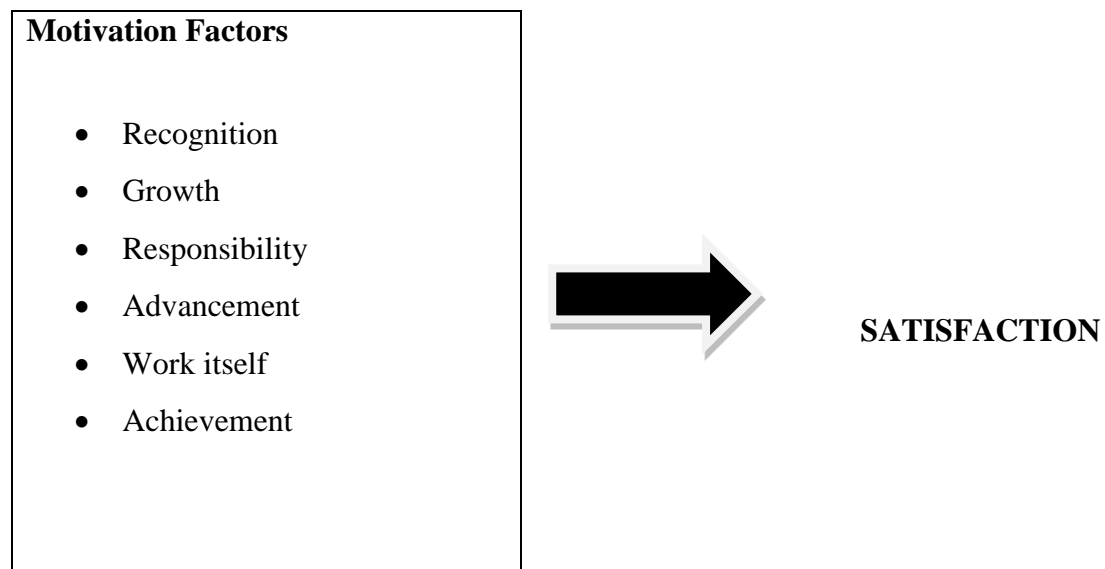
### 1.9.1 Two factor theory

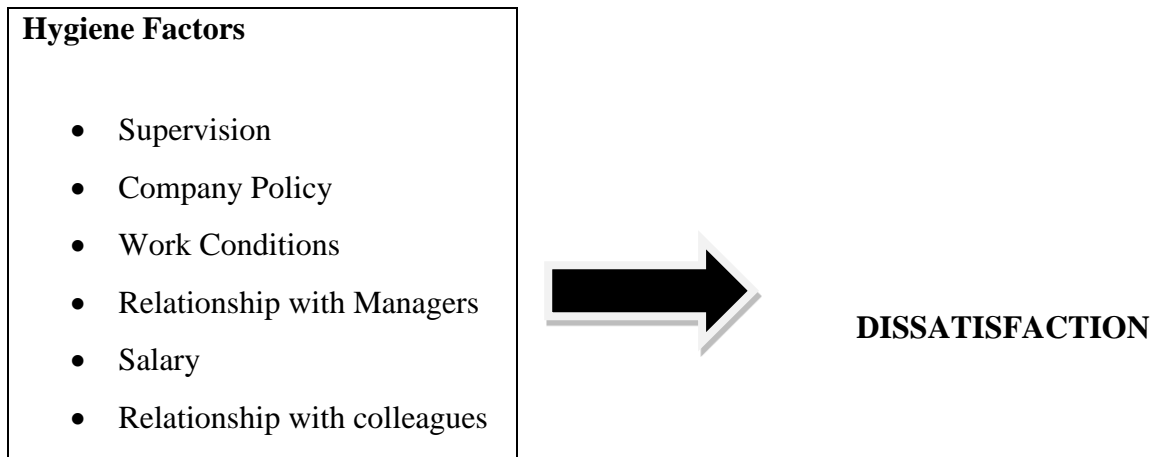
To better comprehend employees` attitudes and motivations to remain in or leave an organization, Herzberg (1966) performed experiments in the workplace to establish factors that led to satisfaction or dissatisfaction. Interviews were conducted where employees were asked about factors that pleased them in an organisation and those that they were unhappy about (Herzberg, 1966). Herzberg further developed the motivation-hygiene theory to explain the results. He called the satisfiers motivators and the dissatisfiers, hygiene factors. Hygiene factors were considered maintenance factor that are necessary to avoid dissatisfaction but they themselves do not cause satisfaction (Sungmin, 2009).

Figure 1 shows the two factor theory model by Greenberg (2009). Several human resources practices are divided into motivation factors and hygiene factors. The presence of the motivation factors in an organisation results in improved job satisfaction and commitment whilst the absence of hygiene factors causes dissatisfaction in employees (Greenberg, 2009).



This theory is relevant for this research because based on this theory, Sungmin (2009) argues it is therefore important that organisations have both hygiene factors and motivation factors to keep their employees satisfied and committed so that they will not leave the organisation. The presence of hygiene factors and motivation often results in increased organisational commitment. Motivation factors are often said to lead to high retention but the absence of hygiene factors may result in increased turnover (Sungmin, 2009).





**Figure 1: Two factor model (Greenberg, 2009)**

### 1.9.2 Equity Theory

According to Adams (1963), equity theory deals with human motives and is mostly used in understanding organizational behaviour. The equity theory states that employees' motivation is based on what they believe to be fair or reasonable when compared to others (Redmond, 2010). When applied to the workplace, Gogia (2010) noted that the equity theory focuses on two sides: the input and the output. Therefore the input/outcome ratio is the basis of what employees perceive to be fair. If the employee perceives inequality, he or she will act to correct the inequity. Apart from decreasing production, complaining to supervisors, asking for pay increases, employee withdrawal from an organisation is the key act by employees in trying to resolve perceived inequality (Redmond, 2012). Many a times inequities lead to high absenteeism and turnover rates of an organization. However if equality is perceived to be present between inputs and outcomes, many employees will stay with the organisation for a long time (Gogia, 2010).

Swinton (2006) drew up a list of employee inputs and expected outcomes. This list is produced below.

**Typical Inputs**

**Typical Outputs**

- |                      |   |
|----------------------|---|
| • Effort             | Financial rewards (Salaries, benefits, etc) |
| • Hard Work          | Recognition                                 |
| • Commitment         | Reputation                                  |
| • Skill              | Advancement/Growth                          |
| • Flexibility        | Well being                                  |
| • Determination      | Job security                                |
| • Enthusiasm         | Strong Relationships                        |
| • Trust in superiors | Responsibility                              |
| • Personal sacrifice | Esteem                                      |

There should be a match between the inputs and the outputs results in job dissatisfaction. If an employee's perceived input is greater than their perceived outcomes, they can become demotivated and engage in disruptive behaviours such as theft, decreased productivity, absenteeism and eventually voluntary turnover (Swinton, 2006). However, where there is perceived equality or positive inequality, employees perform better and employee retention is high in such organisations.

### **1.10 Definition of terms**

#### **Hospital**

In this research study, the word "hospital" is used interchangeably with the word "organisation" and this is where nurses are employed.

#### **Nursing**

According to Rousell (2011), nursing is a distinctive function which involves assisting an individual, whether sick or not, to perform activities that will result in recovery of health or undisturbed death. It involves providing care to health patients.

## **Nursing shortage**

A lack or deficiency in the number of nurses required to fill the existing vacant posts in the health sector. High numbers of nurse shortages have been reported in many health institutions in South Africa because many nurses have left the country for better opportunities (Breir *et al.*, 2009).

## **Professional Nurses**

These are nursing personnel who possess a nursing qualification registered with the South African Nursing Council (SANC). A professional nurse studies a four-year curriculum that includes training in midwifery, community nursing, psychiatric nursing and general nursing (Breir *et al.*, 2009).

## **Retention**

Retention is about devising strategies of keeping valued employees in the organisation. It involves the use of various human resources practices that enables employees to become committed to the organisation (Armstrong, 2012).

## **Turnover**

Turnover refers to a process whereby an employee terminates his or her employment in an organisation. Turnover occurs when an employee leaves the organisation (Mello, 2014).

## **Organisational Commitment**

Organisational commitment refers to the psychological attachment that an employee has towards the organisation (McElroy, 2012).

## **Human Resources Practices**

Human resources practices refer to the plans, methods, processes and procedures that the human resources personnel use to manage employees in the organisation in order to achieve desired behaviour and organisational goals (Armstrong, 2012).

### **1.11 Proposed outline of study**

Chapter 1: Introduction and background of the of the study

Chapter 2: Literature Review (Human Resources Practices)

Chapter 3: Literature Review (Organisational Commitment and Employee Retention)

Chapter 4: Research Methodology

Chapter 5: Presentation and Discussion of results

Chapter 6: Conclusions, Recommendations and Limitations.

## **CHAPTER 2**

### **HUMAN RESOURCES PRACTICES**

#### **2.1 Introduction**

This chapter focuses on Human Resource Management practices, their outcomes, and impact of human resources practices on employee retention and how human resources practices influence organizational commitment. In such an era of high labour turnover and increased service delivery demands, it is important to explore the factors which can contribute to the

retention of employees who contribute a wealth of knowledge and experience to their organizations.

## **2.2 Human Resources Management and Human Resources Practices**

Armstrong (2012) defines Human Resource Management (HRM) as a strategic approach to the managing the organization's prized assets, that is the people. Human Resource management involves all the decisions, processes, policies and practices taken and adopted with regard to managing the employees of an organization. Kehoe and Wright (2010) suggest that Human Resources practices affect an organisation's outcomes by influencing employee behaviour and shaping their attitudes. According to Armstrong (2009) the particular purpose of human resource management is to guarantee that an organisation is able to attain the accomplishment of its goals through its employees.

Khan (2010) argues that some Human Resources Management practices are more effective than others in terms of enhancing employee commitment and retention therefore organizations have to adopt the best practices. In a study conducted by Damayanti (2009) training and career opportunities, rewards, management style, performance management and employee engagement were identified as the human resources practices that influence employee commitment and retention more. Interestingly, Khan (2010) also identified and advocated the same human resources practices as the backbone to employee commitment and retention. Therefore, for the purposes of this research, these human resources practices will be utilized to evaluate the impact of these practices on nurse commitment and retention in selected hospitals in the Eastern Cape Province, South Africa.

The human resources practices adopted for this study are:

- Training and development opportunities
- Compensation and rewards

- Managerial leadership style
- Performance management
- Employee engagement

## **2.3 Training and development opportunities**

One of the functions of the human resource department in an organization is to ensure that the organizations attracts and retains the right quality and quantity of employees. Not only is training a means of equipping employees with the necessary skills but it is regarded as a way of demonstrating employers` support and commitment to their employees (Robbins & Langton, 2007). Most organizations are now using training and development opportunities as an attraction and retention strategy. Employee training is now a necessity for an organization`s survival. The business world is very dynamic because of technology and globalization therefore it is very important that organizations update their employees` skills through training (Kaufmann, 2010). One school of thought argues that training leads to an increase in turnover while the other states that training is a tool that can lead to higher levels of employee retention (Khan, 2010).

### 2.3.1 The concept of training and development opportunities

Training is a process in which employees` skills are increased for doing a particular job (Armstrong, 2012). Training is the organized activity aimed at imparting information and/or instructions to improve the recipient`s performance or to help him or her attain a required level of knowledge or skill (Stone, 2008). In general, training involves presentation and learning of content as a means for enhancing skill development and improving workplace behaviors. Training is defined as the process of teaching, informing and educating people so that they can become as qualified as possible to do their job and also to perform in positions of greater difficulty. To improve worker ability and competences, competitors make use of training and development practices in implementing their business strategy (Schuler &

Jackson, 2008). Training and development seeks to address employees` needs and improved employee competences can function as a competitive advantage to an organisation.

Employee development are those activities and programmes which when controlled have great influence in changing the capacity of the individual to perform the job better and will likely improve job performance in future assignments. “Career development can be defined as an “ongoing” process by which individuals progress through a series of stages, each of which is characterized by a relatively unique set of issues, themes or tasks” (Greenhaus, Callanan & Godshalk, 2009).

According to Stone (2008) when an organization embarks on training and development activities, their objectives are to:

- Improve job satisfaction;
- Increase job satisfaction;
- Assist employees in their career paths;
- Improve organizational commitment;
- Reduce employee turnover;
- Increase organisational effectiveness and;
- Improve organizational learning.

### 2.3.2 Methods of training and development

It is the responsibility of employees to plan their own career but organisations also have a duty to provide support to employees through managing their careers by providing career development opportunities (Swanepoel, Erasmus, Van Wyk, & Schenk, 2011). Below are some of the methods that can be utilized by an organization in offering training and career development support.

- On the Job Training
- Off the Job Training
- Mentoring
- Career Planning Workshops



- Career Discussion
- Career Center

### 2.3.3 Training and development opportunities as commitment and retention factors.

The difficulty of retaining highly qualified nurses in public health institutions cannot be understated. Training is of great importance to nurses in public hospitals and also the only way employment can be maintained in their careers. According to Damayanti (2009), it is essential and very critical that organizations keep their leading and competitive edge through equipping their employees with adequate skills. This can only be done through training. Employees remain in organisations that offer them career growth and promotional opportunities through learning (Jiang & Klein, 2009).

A more recent trend is employees` desire to acquire new skills. Employees want to learn new technologies, processes, and projects and acquire new skills, particularly in the technical areas (Moseley, Jeffers & Patterson, 2008). Employees now view skills acquisition, not seniority as providing them with job security. Consequently, employees seek organisations that are willing to invest in them (Armstrong, 2009). The availability of generous tuition payment, ample job-related training, and continuous development opportunities can be effective organisational incentives (Chaminade, 2007). This results in affective commitment because the employees will strongly identify with the organization if their personal goals are being met by the organisation (Heathfield, 2008). This affective commitment often prompts employees to stay with the organisation. However, a report compiled by the Pillay (2009) reports that many managers confuse career development and employee retention because it is often assumed that employees are usually content with jobs they do extremely well.

Scribante and Bhagwanjee (2007) state that the best places to work are institutions which provide nurses training opportunities for their professional development. Improving the

clinical competence of nurses and their professional practice may increase organizational commitment and nurse retention. This ensures a stable workforce.

According to Chew and Chan (2008), when an organisation provides training to its employees, this may affect their psychological states. If employees believe that their organisation is doing good for them through the provision of training, it makes them feel that their organisation is concerned about improving their skills and abilities making them attached to the organisation (Heathfield, 2008). If employees perceive training as providing organisation specific skills that will increase their status in the organisation or economic advantage within the organisation but however the skills are not transferable to other organisations, a stronger continuance commitment will develop (Moseley, Jeffers & Patterson, 2008). It is this continuance commitment that will induce retention in the organization. Therefore Chew and Chan (2008) is in support of the idea that training increase organisational commitment which in turn will result in employee retention. In contrast, McElroy (2012) found training to be negatively related to continuance commitment.

In some cases, employees are aware of the costs that an organization incurs through training such that they appreciate the organization`s effort for the skills that they would have acquired (Griffith & Hom, 2010). This may result in the employees developing a sense of obligation to the organisation known as normative commitment (Kehoe & Wright, 2010). Normative commitment often results in the employees remaining in the organisation out of moral obligation particularly if the organisation funds the training (McElroy, 2012).

An organisation that wishes to strengthen and prolong the relationship it has with its employees must invest heavily in the development of its employees as this has the ability of improving employee organizational commitment (Stone, 2008). Employees want opportunities to advance within an organisation as they grow and develop these skills. Some

advancement is upward and other movement is lateral, such as growth of specialised skills, but if employees cannot advance inside the organisation, they will move to another organisation (Armstrong, 2009).

A lack of training and promotional opportunities is the major causes of high performers leaving the organisation. Therefore an organisation has to offer some growth opportunities to reduce turnover intentions (Linley & Harrington, 2010).

Career development opportunities for employees are a vital factor that affects employee retention. Organizations are advised to strengthen their bond with employees through human capital development and employee investment is key (Jiang & Klein, 2009; Cairncross, Wilde, & Hutchinson, 2008). Career development can be perceived as a means by which employers address employees` needs. According to Schuler and Jackson (2008) the best competitors use training and development practices to improve the ability of the workforce to implement their business strategy. Improving the competence of the workforce is one way that career development can create a competitive advantage.

## **2.4 Compensation and Rewards**

Compensation and reward is an important feature of Human Resources Management. The compensation system that an organisation offers to its employees plays an important role in determining the commitment levels of employees and their retention. According to Ghosh, Satyawadi, Joshi, and Shadman, (2013) compensation is one of the crucial issues as far as attracting and keeping talent in organisations is concerned. The fundamental hypothesis is that money influences employee behaviour through shaping their attitudes (Cairncross *et al.*, 2008). Therefore wages influence the attraction and retention of the workforce (Armstrong, 2012). The provision of a lucrative remuneration package is one of the broadly discussed

factors of retention. Not only do rewards fulfill financial and material needs but they also provide a social status and position of power within an organization. In a past study, Broner (2009) reported that employees have to differentiate themselves from others through their compensation strategy in order to attract and retain quality employees. Therefore, an organization's compensation strategy should be able to attract the right quality of employees, retain suitable employees and also to maintain equity amongst the employees.

The concept of compensation and rewards is the heart of many employment relationships. According to Swanepoel, Erasmus, Van Wyk and Schenk (2011) the employment relationship is usually economically motivated. An employee is rewarded (outputs) for injecting certain inputs (mental and physical work behaviour) that are needed for the successful running of an organisation (Swanepoel *et al.*, 2011). Therefore, the concept of compensation and rewards can be used as a very important tool in shaping organisational behaviour aimed at retaining the best employees in the organisation.

#### 2.4.1 Compensation and Rewards definition

Snell and Bohlander (2009) define employee compensation as all the forms of salaries and rewards that employees receive when they are contracted to work for an organisation. Direct compensation consists of wages and salaries, bonuses, incentive-payments, and commissions. Indirect compensation consists of mainly non-financial benefits supplied by employers for example, subsidized lunch, free insurance, etc. intrinsic rewards that include flexible work hours and a good work environment. Employee benefits are part of indirect compensation intended to better the quality of work life for employees. (Snell & Bohlander, 2009). Similarly, Swanepoel *et al.* (2011) also states that compensation consists of financial elements and non-financial elements. Non-financial elements of the compensation package usually consist of perks such as employee assistance programmes, day care centres, organisation picnics and travel discounts.

#### 2.4.2 Objectives of a compensation system

A compensation or reward system is guide lined by compensation objectives. The effectiveness of a reward system is measured against compensation objectives. The main objectives of a compensation or reward system are to attract, retain and motivate staff (Ghosh *et al.*, 2013). Organisations devise more compensation objectives in order to contribute to organisational effectiveness.

According to Ghosh *et al.* (2013), a good compensation system should be aimed at:

➤ *Attracting the right class of applicants*

Most employees are usually attracted to organisations that offer high rewards. Therefore, for an organisation to attract highly job seekers, it has to offer competitive salaries that are in line with or above the going rate in the labour market (Schuler & Jackson, 2008).

➤ *Retaining suitable employees*

Employees compare their salaries to those of other people performing the same or similar jobs in other companies. If an organisation wants to keep its highly skilled labour, then it should offer better competitive salaries that employees are satisfied with so that they will not look elsewhere (Armstrong, 2012). This improves the retention of highly valuable staff.

➤ *Rewarding good performance and providing incentives for desired behaviour*

Desired behaviour such as a long length of service and good performance should be rewarded (Caincross, *et al.*, 2008). A good compensation system should address those issues.

➤ *Maintaining equity among employees*

Equity or fairness is a key component in creating a successful compensation system. It can be defined in the following three ways: external equity, internal equity and individual equity (Broner, 2009). A perception of fairness in the distribution of rewards is what is known as equity in compensation. Perceived inequity or unfairness (external or internal) often results in low morale leading to high voluntary turnover.

(a) **External equity** is the comparison of rewards across similar jobs in the labour market. External equity exists when an organization's pay rates are at least equal to the average rates in the organization's market or sector (Linley & Harrington, 2010). Employers have to be able to pay what is necessary for them to attract, retain and motivate the right number and quality of employees (Broner, 2009). Therefore, competitive base pay should be the backbone of any compensation system. Salary surveys are very critical when determining the whether an organisation's compensation system is comparable to other similar organisations (Ghosh *et al*, 2013).

(b) **Internal equity** deals with comparisons of rewards across different jobs within the same organisation (Damayanti, 2009). Internal equity exists when employees in an organization perceive that they are being rewarded fairly according to the relative value of their jobs within an organization (Albretcht, 2010). Internal equity exists when the rewards and work conditions of a person are perceived to be fair when compared with those of other employees in similar positions in the same organization (Benson, 2009). Factors such as skill level, the effort and the responsibility of the role, as well as working conditions are considered.

(c) **Individual (procedural) equity**. A good compensation system is one that is reflective of the skills and contribution put forth by an employee in executing his or her duties (Benson, 2009). Pay changes should be made based on individual competencies, performance or seniority in the organisation.

#### 2.4.3 Compensation and Rewards as commitment and retention factors

One way through which employers can retain the workforce is through offering a good compensation package. An organisation can only be successful in its retention strategy if it offers competitive, market-related pay and benefits because this motivates employees to become committed to the organisation (Lockwood & Walton, 2008). A study by Scribante

and Bhagwanjee (2007) reports that employees will remain in an organisation if they are rewarded and also they may leave if they are poorly rewarded. Employees are likely to stay in organisations where they believe that their capabilities, contributions and efforts are appreciated (Armstrong, 2009). Mendez and Stander (2011) state that internal equity and external equity should be observed in terms of remuneration if the compensation package is to be used as a retention strategy.

In a study of nurses conducted by Pillay (2009), it was identified that monetary and non-monetary rewards are important in order to raise employee retention. Monetary rewards reported to significantly increase employee retention included performance bonuses, reasonable salaries, and remuneration for scarce skills. Non-monetary rewards included promotions, child care facilities, extended leave and recreation facilities. It was also reported that nurses view salary as the main source of dissatisfaction which often resulted to high employee turnover (Pillay, 2009). South African professional nurses who migrated overseas also cited financial reason as key reasons that influenced their decision to leave South Africa (Oosthuizen & Ehlers, 2007).

In contrast, Chaminade (2007) argues that due to the recent movement towards benchmarking, organizations are now facing difficulties in setting themselves apart from their competitors by means of remuneration hence the impact of financial rewards on employee retention is reduced. However, regardless of many studies reporting that financial rewards are a poor motivating factor, remuneration packages still remain as a tactic employed by several organisations to improve employee commitment (Mello, 2014). A study conducted by Benson (2009) also reported that compensation practices are still one of the most popular retention strategies. According to Teseema and Soeters (2006) there is a positive correlation between compensation practices and employee retention, hence their explanation that

voluntary turnover is high among those employees who value high monetary rewards as part of their compensation package.

In a study conducted by Mendez and Stander (2011), it was revealed that incentives and bonuses awarded to employees every year increase their organizational commitment because they feel valued by their employer. In the light of the above, it can be deduced that employees value the incentives and bonuses they receive from their employer.

## **2.5 Managerial Leadership style**

Employee behaviour in relation to their jobs and organization is affected by various reasons. Management style is one of the factors that are seen as affecting employee behavior in an organization. In an organization, management has a crucial role of creating a good work environment that will influence employees to become committed and remain in the organisation (Howatt, 2009). The leadership style that management adopts in an organization has a significant impact on the commitment and retention of employees. According to Taplin (2007), the specific role of management is to shape employees` attitude through work structure. It is management`s responsibility to create a work environment that enables employees to have a sense of belonging to the organisation and be able to resist external forces.

### 2.5.1 Leadership styles and characteristics.

Taplin (2007) defines management as the process whereby organisational leaders work with others through others in order to attain an organisation`s objectives. De Villiers (2007) states that management has to adopt different approaches in their operations in order to manage their workforce so that organisational goals can be achieved efficiently. Chen and Chen (2008) define transformational leadership as the practices whereby managers influence big



changes in the assumptions and attitudes of employees through building organizational commitment. The behaviors that management executes when dealing with employees is what is known as leadership style (Howatt, 2009). According to Mello (2014), managerial leadership style is about directing, controlling of activities and the methods and techniques that management utilise for employee motivation

It is through experience, education and training that managers develop their own unique managerial leadership style (Jennings, 2011). According to Rollinson (2008), leadership styles are classified according to the leaders' behaviour and power. Leadership influence differs from one leader to another therefore managers are more effective when they understand the right handling of power (Rollinson, 2008).

In their previous leadership studies, Chen and Chen (2008) identified 3 different types of managerial leadership styles and these are transformational leadership transactional leadership and laissez-fair leadership style. Respect and pride are the characteristics of the relationship between a transformational manager and his subordinates (Davis, 2011). Transformational managers afford employees with a vision and they inspire pride through their charisma (De Villiers, 2007).

The relationship between transactional leaders and their followers is based on social learning and exchange theories and the relationship is reciprocal in nature (Govier & Nash, 2009). A transactional manager communicates with their subordinates to make clear on the details of the task and informs them that 'a job well done' is rewarded (Spears & Lawrence, 2010). Transactional managers are managers by exception (active or passive) and they make use of contingent rewards (Chen & Chen, 2008).

However, Davies (2011) describes laissez-faire managers as extremely passive leaders who are unwilling to influence subordinates' attitudes and behavior to the point of renouncing their responsibilities. Laissez-faire managers are non-transactional leaders in that leadership responsibilities are ignored, decisions delayed, authority is unused and there is no exchange between the manager and subordinates (Govier & Nash, 2009).

### 2.5.2 The role of managerial leadership style in organisational commitment and employee retention

In public health institutions, the role of management is considered critical for an organisation to be successful and also for the nurturing and development of relations and dealing with the other stakeholders (De Villiers, 2007). The quality of supervision that management offers to employees determines the organisational commitment and employee retention levels in the organisation. Effective managers put in place mechanisms to create employee retention. The primary role of management is to organise, coordinate and monitor the organisation's resources and one of this is the human resource (Spears & Lawrence, 2010). It is management's responsibility to ensure that the organisation has the right quality and quantity of employees at the right time. Management has to formulate policies and procedures that enable an organisation to retain its best employees. Through management processes, an organisation is able to control its labour turnover level (Davies, 2011).

Management can to assist promote an organization to make it very attractive to current and potential employees, or they can be the root behind high turnover in an organization. Management is actively involved in the selection stage of potential employees and once employees are on board, it is management's responsibility to ensure that good employees remain with the organization rather than them leaving the institution (Schuler & Jackson, 2008).

In his studies with nurses, Litheko (2008) states poor managerial leadership is to blame for up to 30% of the reasons of voluntary turnover in organizations. Similarly, Heathfield (2008) states that in most situations, employees leave supervisors and managers more seldom than they leave their jobs or the organization. A lack of a good relationship between management and subordinates is the most common antecedent to employee turnover. Heathfield (2008) further argues that not only does management have to like their subordinates, but they should make the job expectations of employees clear because this also has an impact on organisational commitment and employee retention. Poor leadership negatively impacts organizational commitment, which in turn results in employee retention problems (Rollinson, 2008).

According to Heathfield (2008), the following is the most frequent employee complaints against management that often results in turnover:

- No feedback on performance
- Lack of clarity on job role expectations
- A lack of transparency about earning potential
- Failure to attend scheduled meetings

Employees stay in organisations where they feel valued and are given fair treatment and afforded the respect they deserve (Heathfield, 2008). De Villiers (2007) suggests that autocratic leadership often results in a lack of organisational commitment, while democratic leadership leads to elevated levels of organisational commitment. The altitude of organisational commitment under laissez-faire managerial leadership is also less when compared to leadership under democratic managerial leadership (De Villiers, 2007). Northouse (2010) found out that the democratic managerial leadership style is positively related to employees' organisational commitment and retention in federal organisations in Australia. Contrary to this, Benson (2009) found no association between leadership style and

employee retention in public hospitals in Iran, where participative managerial leadership style was common. In addition to this, Erkutlu and Chafra (2006) found that laissez-faire managerial leadership style in hotels led to negative results in organisations such as low commitment and high turnover.

## **2.6 Performance Evaluation Practices**

When an organisation acquires employees with the right skills and trains them, the next step is to manage and evaluate employees` performance over time in order to give employees feedback and ensure that they remain productive (Armstrong, 2012). Performance management is a human resources practice that is responsible for managing, identifying, developing and measuring the performance of the human resource of the organisation (Chowdhury, 2007). Performance appraisal represents a formal process of monitoring worker performance by management in order to improve worker performance and productivity (Shahzad, Bashir & Ramay, 2008). Performance evaluation is the primary human resource management intervention that allows the manager and his subordinates to discuss openly the organizational expectations and the employees` achievements (Chowdhury, 2007). According to Teseema and Soeters (2006), performance appraisal is a strategic approach that puts together business policies and human resources policies. Performance appraisal is therefore a means to assess employees, build up their competences and also a mechanism for enhancing employee performance (Harris, 2008)

It is through the performance evaluation process that employees get to know of their level of performance and weaknesses through valuable feedback from management so that required steps may be taken to improve their performance (Shahzad *et al.*, 2008). Therefore, for the purposes of human capital development, performance appraisal has to be done at regular intervals. The results obtained from performance appraisal are used to decide about

promotions, compensation allocations, terminations, recognition awards, and training opportunities to influence employees' commitment and retention (Lau,Wong & Eggleton , 2008) .

#### 2.6.1 The link between performance evaluation, commitment and retention

The relationship between performance evaluation, employee commitment and retention has been the concern of many researchers. Employee commitment and productivity and retention can be enhanced through performance appraisal systems (Armstrong, 2012). Brown and Lent (2012) state human resource management practices like incentive pay, formal training and performance appraisal have got an influence on employee turnover intentions.

Smither and London (2009) revealed that employee perceptions with regards to the fairness of the performance appraisal process are usually reflected in their turnover intentions. If employees perceive the performance evaluation process to be fair, they are likely to become more committed to the organisation and remain the same organisation for a very long time (Juhdi, Pa`wan, Hansaram & Othman, 2011). Therefore, effective performance appraisal systems contribute largely to employee retention because employees only stay in an organisation where they are treated fairly (Chew & Chan, 2008). Based on the above literature, it can be theorized that performance appraisal has got an impact on employee commitment as well as retention.

### **2.7 Employee Engagement**

Research has proved that employee engagement is one of the best tools for gaining competitive advantage to organisations and it is considered to be a dominant factor when measuring an organisation`s vigour (Albrecht, 2010). According to Richman (2006), employee engagement refers to the intellectual and emotional commitment that an employee

has towards the organisation and its values, and also the amount of effort that employees exhibit towards their work. Engagement is a profound connection that employees have with an organization, that results in a motivation to go on top of and beyond what an organization expects from them to assist their corporation succeed (Richard, 2010). It is the organisation`s responsibility to develop and nurture employee engagement.

According to Greenberg (2009), employee engagement is the level of commitment and involvement an employee exhibits towards the organization including its values. Greenberg (2009) lists the following as the primary characteristics of engaged employees:

- They speak confidently and good about the company to customers, co-employees and potential employees.
- They desire strongly to belong to the organization and remain in it.
- They exert extra effort to achieve organizational goals.

Therefore, employee engagement is a measure that is similar to employee loyalty and satisfaction. Employees who are fully engaged hold a positive attitude towards their organisation, are aware of their job role expectations in the organisation so that they meet and exceed them whilst the non-engaged employees fail to meet organisational goals (Albrecht, 2010). An engaged employee is conscious of and responsive to the business context, and continually seeks to improve his or her performance so that the organization can benefit (Richman, 2006). Mone and London (2010) added that there are two psychological conditions essential for employees to be appropriately engaged to the organization and these are meaningful work elements and safety (management style, organizational norms and social elements).

### 2.7.1 The importance of employee engagement

According to Greenberg (2009), the ability of an organisation to achieve high levels of performance and attain its goals are dependent on how the organisation manages the concept

of employee engagement. Engaged employees advocate for the organisation together with its products and this contributes to organisational success. In most cases, engaged employees are better performers because they are highly motivated. Greenberg (2009) claims that employee engagement leads to high profitability and that employee engagement is vital to all organisations that seek to retain their valued employees and increase organisational performance.

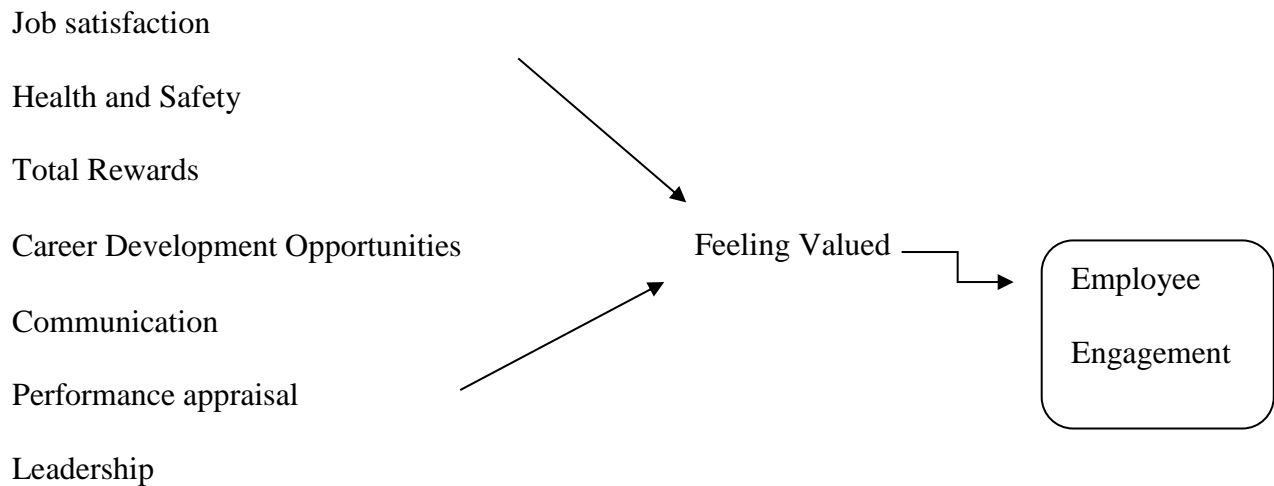
### 2.7.2 Categories of employee engagement

Mone and London (2010) identify three types of employee engagement as:

- *Engagement* – A very unique characteristic of engaged employees is that they build. They desire to know their job role expectations and they make it their goal to meet these expectations and exceed them (Albrecht, 2010). They are curious about their position in the organization and their performance is consistently high. They aim to maximize their use of talents and strength in the organization (Broner, 2009). They are passionate about innovation and driving their organization to success.
- *Not engaged* – Employees who are neither engaged to their organization nor their jobs concentrate more on job tasks rather than the actual outcomes of goals expected (Mello, 2014). They expect a blueprint from their supervisors on what to do concerning their job. Unengaged employees tend to feel that their potential or contributions is overlooked and untapped (Armstrong, 2012). These feelings usually occur to them because they do not have useful or good relationships with their co-workers or managers.
- *Actively disengaged* – Employees who are actively disengaged are also known as the ‘cave dwellers’ (Bakker & Leiter, 2010). These employees do not agree to anything laid down in the organization. They are unhappy with both their jobs and the organization at large (Linley & Harrington, 2010). They exhibit negativity in everything they do. This type of employees undermines the work accomplished by their engaged co-workers. Disengaged workers can cause great damage to the organization because of their lack of cooperation in organizational activities and they can influence their engaged co-workers (Broner, 2009).

### 2.7.3 Factors driving employee engagement

Vazirani (2007) identifies the following factors as drivers of employee engagement in the organisation.



**Figure 2: Drivers of employee engagement, Source: (Vazirani, 2007)**

- Job Satisfaction- Job satisfaction is the basis of employee engaged employees. If an employee is happy with his or her job, then they can become engaged. Therefore, the job should be able to match an employee`s career goals because any mismatch between the job and the person results in job dissatisfaction which lead to disengaged employees (Haid & Sims, 2009).
- Health and Safety- The health and security of employees is very important for employee engagement. Any feelings of insecurity at work often lead to low levels of employee engagement (Damayanti, 2009). Therefore it is very important for an organisation to adopt correct systems of health and safety for their employees.
- Total Rewards- An organization should utilize a proper attractive pay system that motivates employees to work for that organization in order to boost employee engagement levels (Mello, 2014).
- Career development Opportunities- organizations should invest in their employees through providing opportunities for development so that they acquire new skills and abilities and realize their ambitions (Armstrong, 2009). Employees invest back in the organisation if an organisation assists them in career path planning. Talent management is very important for employee engagement and retention (Armstrong, 2012).
- Communication- All lines of communication should be utilized in an organization. Organizations should adopt an open door policy (Chowdhury, 2007). Upward and downward communication channels should be used. It is also important to include employees in the decision making process so that their views and opinions can be heard (Davies, 2011).
- Performance Appraisal- Employee engagement levels are also determined by the performance evaluation process (Lau, Wong & Eggleton, 2008). Appropriate performance evaluation techniques are necessary to facilitate a high level of employee engagement.



- Leadership- It is important for the leadership of an organization to clarify organizational values so that they stand as unambiguous and clear for employees. Successful leaders treat their subordinates with respect regardless of their positions (Spears & Lawrence, 2010).

According to Richard (2010), engaged employees contribute to an organization's success through executing strategy and generating important organizational results. Vazirani (2007) concludes by stating that employee engagement is the exhibition of a positive attitude by employees towards both their jobs and the organization. The importance of employee engagement in organizations is gaining popularity through the emphasis of communication, employee recognition and improving the quality of work life for employees.

#### 2.7.4 The link between employee engagement, commitment and retention.

According to Haid and Sims (2009), more than 80 % of disengaged employees consider looking for another job daily whilst engaged employees are more likely to remain in the same organisation. If employees lack emotional commitment towards their job, a greater possibility exists that voluntary turnover might occur whereby they will move to an organisation that will offer a better job with higher remuneration and flexible work conditions (Bakker & Leiter, 2010). Research conducted by Linley *et al.* (2010) confirms that employee engagement reduces employee turnover therefore having highly motivated employees is critical for employee retention in an organisation.

### **2.8 Current human resources practices utilised in the Health Department**

According to SANC (2012), the Department of Health utilises the following human resources practices as retention strategies for all employees:

- Career management: The Eastern Cape department of Health committed itself to providing guidance on career paths through workshops.
- Bursary Allocations: The department also committed itself to providing bursaries to students who wish to take up full time study in nursing and other health care studies as a way of boosting nursing enrollment.

- Recognition of superior performance: To retain the required personnel, the department committed itself to promote nurses and other employees who show good performance.
- Training and Development: Management was tasked to identify and assess all training needs so that those in need of certain skills will be afforded with the necessary training.
- Work Environment: Hospitals have to provide a conducive work environment composed of good working conditions for example, creating a learning culture that allows creativity and initiative to take place.
- Incentives/Rewards: Salaries, allowances, cash bonuses, merit awards

## **2.9 Conclusion**

The above chapter suggests that there is a large volume of information regarding the relationship between human resources practices, organisational commitment and employee retention. The literature shows that employee retention is influenced by many different factors that include leadership style, training opportunities, compensation and rewards, performance management and employee engagement. Organisations that intend to retain their valued employees for a long time should put the above factors on their agenda. Organisational commitment is also very important for employee retention to be possible.

The following chapter will outline the research methodology or design that was utilised in this study in collecting data from the respondents.

## CHAPTER 3

### ORGANISATIONAL COMMITMENT AND EMPLOYEE RETENTION

#### 3.1 Introduction

The following literature review explores the concepts of organisational commitment and employee retention in organisations with special emphasis on the need for and value of employee retention strategies in health institutions.

#### 3.2 Organisational Commitment

##### 3.2.1 The concept of Organisational Commitment

The concept of organisational commitment is now a very popular subject in the field of organisational psychology and behaviour (Cohen, 2007). Grant (2008) is of the view that the success of an organization and the pursuit of quality depend not only on how the organization makes the most of its human resources, but also on how it stimulates employee commitment to the organisation.

In Early studies, the concept of organisational commitment was viewed as a single dimension of attitudinal perspective (Brewer & Wilson, 2013). The affective commitment or psychological attachment that an employee forms in relation to his or her involvement in an organisation is what is known as the attitudinal perspective (Brewer & Wilson, 2013). According to Cohen (2007) organisational commitment is characterised by a willingness to remain in an organisation and also willingness to exert more effort on given tasks.

The side bet theory or the exchange based definition is also an earlier perspective of the concept of organisational commitment (Kaur, Sandnu & Kaur, 2010). The side bet theory is based on the normative or calculative perspective whereby employees` commitment towards an organisation is based on the costs and benefits of leaving the organisation (Cohen, 2007).

Initially, Meyer and Allen (1984) viewed organisational commitment on two dimensions which are continuance and affective. According to Meyer and Allen (1984), affective commitment is the “attachment to, positive feelings of identification and involvement in an organisation”. Continuance attachment was defined as “employee`s commitment based on the costs that they associate with leaving the organisation” (Meyer & Allen (1984). After further investigation, Meyer and Allen (1991) added a third dimension to organisational commitment known as normative commitment. Meyer and Allen (1991) define normative commitment as the sense of obligation that employees feel to remain in the organisation. This has resulted in the concept of organisational commitment to be known as the tri-dimensional concept known as affective, continuance and normative (Meyer & Allen, 1991). All the three dimensions of organisational commitment view it as a psychological state characteristic of the relationship that employees have with the organisation and it is this psychological state that implicates employees` decision to continue or discontinue employment (Meyer & Allen, 1997).

### 3.2.2 Defining the concept of Organisational Commitment

Various researchers interpret the connotation of organizational commitment in a different way, based on their experiences and backgrounds. Robin, Odendaal and Roodt (2011) define organisational commitment as the psychological bond that exists between an employee and the organisation that is characteristic of loyalty. According to Memari, Mahdieh and Manani (2013), an employee can be said to be committed to an organisation if he or she believes strongly in the company`s goals, exerts substantial effort on behalf of the company and strongly desires to continue to work for that organisation. Similarly, Robbins and Langton (2007) defined commitment as a situation in which an employee identifies strongly with a certain organisation`s goals and desires to continue membership in the company.

Bass and Riggio (2006) view organizational commitment as a multidimensional construct with three types of commitment; affective commitment, continuance commitment and normative commitment. Affective commitment is an emotional attachment to the organization, such that the strongly committed individual identifies with, is involved in, and enjoys membership in the organization (Beugre, 2009).

This study adopts the definition of organisational commitment provided by Meyer and Allen (1991) which states that organisational commitment is the psychological state that determines an employee`s relationship with the organisation and whether to continue or discontinue employment. Meyer and Allen (1991) also define organisational commitment as a tri-dimensional concept comprising of the affective, continuance and normative dimensions and these types of organisational commitment are going to be discussed below.

### 3.2.2.1 Affective Commitment

Meyer and Allen (1997) define affective commitment as an employee`s identification with, attachment to and involvement in an organisation and employees with strong affective commitment remain in a particular organisation because they desire to do so. McShane and Glinow (2008) describe affective commitment as the feelings of affection, loyalty, belongingness, warmth, pleasure, fondness and happiness that an employee psychologically experiences resulting in an attachment. Most research findings suggest that job satisfaction and organisational support are antecedent to affective commitment (Boehman, 2006).

Kroth (2007) regards affective commitment as the strongest positive dimension of commitment because employees with affective commitment exert additional effort in the organization and there is genuine undisputable willingness not obligation to perform tasks. In his study with 288 hospital nurses, Somers (2009) found that work outcomes such as low stress levels and low turnover rates were positively associated with affective commitment.

Similarly, Riley (2006) reports that if management fosters affective commitment in an organization, employee retention will improve.

#### 3.2.2.2 Continuance commitment

Continuance commitment is defined as the degree to which an employee feels committed to his or her organization as a result of the costs he or she is likely to encounter should he decide to leave the organisation (McMahon, 2007). When an employee assesses the costs and benefits of leaving or staying with the organisation, the employee is said to have 'calculative commitment' (Bass & Riggio, 2006). If the costs of leaving the organisation are very high when compared to the benefits, then an employee is likely to remain in the organisation. Unlike affective commitment where commitment is as a result of the emotional attachment, continuance commitment is purely based on a sound calculation of costs and benefits of either leaving or staying with the organisation (McShane & Glinow, 2008).

A factor analysis carried out by Cohen (2007) found continuance commitment to be a two-dimensional construct that consists of personal sacrifices (Costs) and low alternatives (Benefits). According to Chelladurai (2006), employees with continuance commitment are unlikely to make a positive contribution or aid to the organisation. A research conducted by McMahon (2007) reports that poor performance, dysfunctional behaviours and poor citizenship behaviours are characteristics of employees with continuance commitment.

#### 3.2.2.3 Normative commitment

Employees who feel obligated to remain in an organisation are said to have normative commitment (McShane & Glinow, 2008). Normative commitment reflects a psychological attachment that makes employees feel that they ought to stay with the organisation but it differs from affective commitment in this sense that this psychological attachment is not necessarily an emotional attachment. Normative commitment is also different from

continuance commitment because it does not include the calculation of costs and benefits (Chelladurai, 2006).

Employees feel obligated to remain in a particular organisation when that organisation has invested heavily in them (Nyengane, 2007). When an organisation has spent its time and money in developing and training employees, in most situations those employees feel obligated to remain in that organisation (Chelladura, 2006). If an organisation pays tuition fees for furthering an employee`s qualifications, that employee usually feels obligated to remain in that organisation as a way of repaying the organisation. According to Kroth (2007), some employees feel obligated to remain in the organisation because of a sense of duty. For example, a highly qualified registered nurse may remain employed in a certain hospital because he/she knows that the hospital receives a large number of patients who count on the availability of nurses and that there is no one else available to replace them at that moment.

On the other hand, Jex (2008) regards normative commitment to the psychological contract that exists between an employee and the employer. Employees` perceptions regarding how they are treated by the organisation, cooperative supervision, remuneration are the bases of normative commitment (Jex, 2008). If an employee views these factors to be fair, then the employee will feel a moral obligation to remain in that organisation.

Therefore, an employee may continue employment in an organization because he or she likes organizational environment (affective commitment), the cost of leave-taking the organization is high (continuance commitment) or that he/she feels obligated to continue working for the organization. These factors are mutually exclusive.

### **3.3 Factors influencing Organisational Commitment**

Factors such as employment opportunities, job related factors, positive relationships, managerial style, organisational structure and personal characteristics shape organisational commitment.

#### 3.3.1 Employment opportunities

Organisational commitment is affected by the availability of alternative employment or other employment opportunities. Employees who believe that they stand a better chance in finding new employment are usually less committed to their current jobs because they find the alternatives desirable. In contrast, where there are no or limited alternatives, employees tend to be highly committed to their current jobs. Therefore, this factor forms the bases of continuance commitment because employees have to calculate the costs and benefits of leaving the organisation (Meyer & Allen, 1997).

#### 3.3.2 Job related factors

An ambiguous job role may lead to low commitment levels and promotion opportunities can either increase or decrease organisational commitment (Nyengane, 2007). Employee engagement, responsibility and autonomy are also job related factors that shape organisational commitment. High responsibility and high levels of autonomy results in increased employee engagement which leads to high organisational commitment (Chelladurai, 2006).

#### 3.3.3 Managerial style

According to Clouden (2009) the answer to organisational commitment, morale, and loyalty and employee retention is not restricted to providing motivators alone, but also in removing demotivators such as a management style that does not suit employee career aspirations. A managerial style that supports employee involvement helps in satisfying an employee`s



empowerment thirst and this enhances employee organisational commitment. It is an organisation`s duty to ensure that the managerial styles utilised by management foster positive organisational commitment (Kroth, 2007).

#### 3.3.4 Work environment

A positive work environment is important for the development of organisational commitment (Mensah, 2013). Partial ownership of the company is one of the positive work environment conditions that foster organisational commitment. When employees are afforded the opportunity to buy company shares, they are motivated to do well for the organisation and this increases organisational commitment (Mello, 2014).

Other factors within the work environment that foster organisational commitment are work practices relating to performance management, management style, recruitment and selection, and training (Mello, 2014). These work practices encourage the development of positive organisational commitment in the organisation (McElroy, 2012).

#### 3.3.5 Personal characteristics

Employee demographics such as gender, age and employment tenure are also determinants of organisational commitment. Older employees with a high tenure in the organisation are more likely to be highly motivated when compared to the younger generation of employees because young employees are very mobile (Clouden, 2009).

According to Davies (2011), due to the different traditional home duties between males and females, female employees are more likely to be highly committed to the organisation because in most situations, changing jobs might mean relocating and most females do not like uprooting their families from time to time.

### **3.4 The relationship between organizational commitment and employee retention**

The relationship between organizational commitment and employee retention seems to be strong. Turnover costs can be very high because there will be need to recruit and train new employees and turnover also results in lost production (Chelladurai, 2006). In a study conducted by Wagner (2007) with correctional workers, it was reported that organizational commitment inversely related to employee retention. Higher levels of organizational commitment are associated with high employee retention. If an employee is strongly attached to an organization, he or she is less likely to leave the organisation and seek employment elsewhere (McElroy, 2012). Organisational commitment reduces voluntary turnover.

According to Meyer and Allen (1997) organisational commitment should not be treated as a unilateral concept but they suggest that the three dimensions of organisational commitment have different effects on employee retention. Somers (2009) used the three organisational component models to investigate about turnover intentions and turnover. Results of the study showed affective commitment as the only component of organisational commitment that can consistently predict turnover intentions because it had a strong negative relationship with turnover. Normative commitment was negatively related to turnover, while no there was no relationship between continuance commitment and turnover.

The strong association between affective commitment and turnover is most likely because employees who are emotionally attached to an organization have got little chances of engaging in withdrawal behaviours. Normative commitment is strongly linked to turnover intentions because employees who feel that they have a moral obligation to remain in the organization will have no intentions to leave (Meyer & Allen, 1997).

### **3. 5 The concept of employee retention**

Retention is defined as everything an employer does to encourage qualified and productive employees to continue working for the organization, Schuler and Jackson (2008). Researchers on retention have defined retention management as the ability to hold onto those employees you want to keep, for longer than your competitors (Jiang & Klein, 2009). Employee retention is a organized attempt by organisations to build and cultivate a work environment that motivates existing workers to stay in the organisation through organisational policy that aims at satisfying their varied needs (Davies, 2011).

### **3.6 Perspectives on Employee retention**

If people`s desire to work for an organisation continues, then that organisation can be said to be successful in retention management. The purpose of retention is to reduce the number of valued employees with quality skills leaving the organization (Tetty, 2011). Retention is a way of reducing the loss of competent staff in the organization as this could have adverse effects on the productivity and profitability of an organisation (Griffith & Hom, 2011).

One of the core concepts in Human Resources literature is that employers need to retain and develop their human resources in order to obtain a competitive advantage (DeYoung, 2010). Retention is an intended shift by organisations to engage employees and make them stay in an organisation for longer (Chaminade, 2007).The management of turnover is now an increasing challenge, especially for organizations employing professionals like in health institutions.

Employee retention is defined as an employee`s desire to stay in an organization, a company`s ability to keep quality employees who are contributing to business success Damayanti (2009) identifies amongst others, training and investing in the maintenance of ongoing commitment by paying the best talent what they are worth as retention tools. Loyal,

engaged employees generate high business outcomes as measure by increased sales, improved profitability and enhanced employee retention (Mensah, 2013)

Similarly, employees also stay in companies that promote career opportunities through training, and the ability to apply their newly learned skills (Jiang & Klein, 2009). Through training, employees might also develop a sense of obligation to give to the company back (normative commitment). This will at least hold them long enough to reciprocate (McElroy, 2012).

### **3.7 The Value of retaining the best employees**

Schuler and Jackson (2008) state that recruiting people to meet the organization's human resource needs is only half of what is needed in talent management. The need to keep these people is another battle. Organizations that have lower labour turnover rates gain a competitive advantage through a reduction in overall labour costs and an increase in productivity (Howaat, 2009). Increased employee turnover creates instability and puts additional workload and stress on remaining staff, increasing job dissatisfaction and therefore potentiating the turnover cycle, (Moseley *et al.*, 2008). According to Close (2008), retaining good workers is critical to any organization. If an organization is not able to retain its employees, it will not be able to capitalize on human assets developed within the organization. Literature and best practices indicate that, to some extent, if employers treat their employees as valued contributors, they tend to remain in the organization (Gillingham, 2008).

The concept of employer-of-choice has intensified in the last decade. Employees want to work for the best organizations. Organizations strive to be the “best company to work for” because this statement translates directly into lower rates of turnover (Stone, 2008). Moseley *et al.* (2008) explain that becoming an employer-of-choice often encompasses hiring the best

talent for the organization, motivating employees to improve performance, keeping them satisfied and loyal, developing employees so they can grow and contribute skills, and ultimately retaining those employees. An employer of choice and substance is one that offers great opportunities, rewards, compensation, that is market related. This means that the employer becomes so attractive to people that they choose to work for that employer rather than a competitor (Davies, 2011).

According to Horwitz (2008), skills shortages are a threat to economic growth. According to Gillingham (2008), South Africa is experiencing a brain drain through skilled labour migration abroad in search for better job conditions. He argues that retention strategies are critical in a global market that is faced with the shortage of skilled workers. The skills shortage challenge is not a South African phenomenon alone. It is therefore important for business, government, public and private sector leaders to address this critical component of employee retention for competitiveness and service delivery (Rampur, 2009).

Moseley *et al.* (2008) state that employee retention is important to organizations, as increased turnover creates instability and puts additional workload and stress on remaining staff, increasing job dissatisfaction and therefore potentiating the turnover cycle.

The concept of employer-of-choice has intensified in the last decade. Employees want to work for the best employers. Organizations strive to be the “best company to work for” because this statement translates directly into lower rates of turnover. According to Moseley *et al.* (2008), becoming an employer-of-choice often involves the issue of acquiring the best talent for the organization, motivating employees to improve performance, keeping them satisfied and loyal, developing employees so they can grow and contribute skills, and ultimately retaining those employees.

### **3.8 The importance of retaining the best employees**

Employee retention has become a serious and complex problem for all organizations. Managing employee retention and keeping turnover rate below target and industry norms is one of the most challenging issues facing organizations (Harris, 2008).

Employee turnover is important to individuals, organizations, and society. For the individual, leaving a job may cause temporary loss of income and benefits, family stress, problem with individual self-esteem, and possibly sustained unemployment and relocation for the individual and family (Harris, 2008).

From the organizational perspective, employee turnover may lead disruption of service to clients (Mushrush, 2014). The extra time and money spent on recruitment and training of the replacement and the added stress of more work for the remaining staff during the interim are a few of the consequences suffered by the organization when turnover occurs (Mello, 2014).

From a societal perspective, employee turnover can have a negative impact when it leads to employees with critical and scarce skills leaving the country to work abroad (Huish, 2013).

According to Kaye and Jordan-Evans (2009), retention is increasingly important as a result of:

- Skills shortages
- Changing workforce
- New employment options,
- High financial costs of employee turnover and recruitment
- The fact that in the new global economy, having talented employees is the differentiator.
- Loss of expertise

In most organisations, senior management consider the retention of highly skilled employees as one of the most crucial part in their long term company strategy. However, many businesses do not have a structure in place for effective employee retention (McKeown, 2010). The first step in achieving success in retention is instilling an organisational culture that is people based where employees are given top priority (Mushrush, 2014). Top management should be exemplary to their line management in valuing people. People remain in an organisation where they feel valued.

### **3.9 Major Challenges facing the South Africa`s health department in nurse retention**

There are several factors that could act as barriers to employee retention in the Health department. According to McKeown, (2010), the following factors can act as barriers to staff retention: low morale amongst work colleagues, weak leadership, management and administration, insufficient resources, no opportunities for growth, no recognition of good performance, poor monetary rewards, tension between management and employees, low staff engagement in decision making, poor working conditions and work Overload.

Kotzee and Couper (2006) stipulate that South Africa`s health sector is suffering a competition from other sectors like engineering and mining sectors therefore nurse enrolment has generally decreased. Another trend in the nursing industry in South Africa is the fact that the number of males entering the nursing profession has not increased in recent years (Runy, 2006). These trends make the retention of nurses difficult in South Africa.

In a study on nurses conducted by Pillay (2009), results revealed that nurses in urban provinces such as Free State, Gauteng, Western Cape and Kwa-Zulu Natal had more job satisfaction as compared to the nurses working in rural provinces. However, the major theme that emerged from both rural and urban province nurses with regard to their future work plans was the issues of salary increases, employment security and opportunities for career

development. Pillay (2009) further stresses that it is very important to prioritise these compelling issues in order to influence nurses' intention to leave and increase nurse retention. High turnover rates of health professionals continue to plague South Africa and this has negatively affected the country. In most situations, employee turnover has been said to be a reflection of bad management. The doctor to patient ratio and the nurse to ratio continue to increase in South Africa and therefore this reveals that the number of patients in the country is increasing whilst the number of health professionals is declining and the situation is worse in rural areas. Litheko (2008) in his study on nurses made known that public sector nurses, younger nurses and nurses working in rural areas were likely to leave their present positions within the next five years.

Runy (2006) states that hospitals with successful retention of nurses have made professional development, safe work environments and employee engagement a priority. Nurse retention is a challenge to most rural health facilities because of a lack of basic good services such as schools and accommodation. According to Kotzee and Couper (2006) in their study in the Limpopo province, a hospital or clinic has to make certain that the services and conditions of nurses deployed in rural health institutions match those that are offered in urban for example; rural allowances paid to nurses in Giyane should be the same as those in Thohoyandou. Any discrepancies in these conditions of service can lead to low organisational commitment which results in high turnover.

Strengthening relationships among nurses and the community that they work for also contributes to overall nurse retention (Kotzee & Couper, 2006). (O'Toole, 2008) notes that the availability of highly qualified management staff, career development opportunities are the most central nurse retention factors. Mitchell (2009) reports that the reasons cited by South African nurses for migrating to other countries include lack of career growth and



development opportunities, poor salaries, high nurse to patient ratio, poor working conditions.

### **3.10 The concept of employee turnover**

Employee turnover has become one of the most important area of research over the years. Many human resources managers in South Africa are having sleepless nights because of employee loss. According to Robbins and Langton (2007), employee turnover is the permanent pulling out of employees from an institution wilfully or unwilfully. According to Samuel and Chipunza (2009) turnover is people`s decision to terminate their contract of employment. This study will however focus on voluntary turnover.

### **3.11 Causes of employee turnover**

For organisations to be able to retain their workforce they have to first comprehend the causes and background of employee turnover (Robbins *et al.*, 2011). Many a times, the possible causes of turnover are HR connected and can be managed. These include such things as poor work conditions, inadequate training, on competitive rewards, misfit between the employee and the job and other practices of the organisation. (Mushrush, 2014). It is very imperative for organisations to conduct exit interviews so that they know and identify the reasons why employees are leaving their organisation. This will assist the organisation in developing strategies to reduce employee turnover and increase retention (Chaminade, 2007). According to Bratton and Gold (2012), the following are some of the factors leading to high turnover:

- A mismatch between the job and employees` abilities and expectations
- Poor relations between employees and line managers,
- Little developmental opportunities for staff

- Little or no job autonomy,
- Lack of challenging work and no variety
- A lack of career growth in terms of promotion and development opportunities,
- Poor management

### 3.11.1 Salary scales.

According to Tetty (2011), salaries are a major aspect damaging the morale of health professionals resulting in their decision to or intention to leave. Employees always look for organisations that offer more competitive benefits (Rampur, 2009). Through offering better benefits, a company can show that it is supportive and fair to its employees. Mensah (2013) state that there is confirmation to suggest that good benefits attract skilled workers to join the institution and also makes valuable employees to remain in an organisation. It is however unfortunate that the salaries and benefits of most public health professionals is not determined by the hospitals themselves but by the government therefore the hospital management is powerless with regard to this issue (Pillay, 2009).

### 3.11.2 Lack of development opportunities

Clouden (2009) in his study with nurses reported that more than 40% of employees working in organisations without development opportunities intended on exiting their companies. Hospitals should provide opportunities for career advancement to nurses to improve their skills and promotion chances.

### 3.11.3 The absence of an effective performance evaluation system

It is very important for every organization to have a performance management system so that they may keep track of high performers and low performers in an organization. Griffeth and Hom (2011) indicate that it is through performance management programmes that high

performers are identified for promotional purposes. The absence of such programmes discourages employees and can result to employee turnover. A study by Kehoe and Wright (2010) revealed that employers often underestimated how strongly good employees resent the company of underperformers in their team and this explains why hard working employees walk out of the organisations. Heathfield (2009) states that continuous performance management in an organization helps in structuring employee relations.

#### 3.11.4 Poor leadership

Lack of support from supervisors, reduces workers' morale and their capability to work and this adds to the chances of them leaving the organisation (Clouden (2009). According to Griffeth and Hom (2011) much blame has been put on terrible management as a principal cause of employee turnover. As a result, it is fundamental for organizations to coach management to develop effective management skills. Yankeelov, Barbee, Sullivan & Antle (2008) believe that an accommodating management structure contributes significantly to employees in staying on the job.

#### 3.11.5 No employee engagement

One of the important motivators to employees is employee engagement. Employees have a need to have a sense of belonging towards an organisation hence they would be happy to be a incorporated into an organisation's ups and downs (Mendez & Stander, 2011). It is therefore very important for the organisation to communicate to employees all the activities of the organisation (Wagner, 2007). Knowledge is power and when employees are given knowledge of what is happening in the organisation they feel so empowered (Haid & Sims, 2009).

### **3.12 Effects of employee turnover in the organisation**

The impact of labour turnover to an organisation is usually negative. When a highly skilled employee resigns, it is very costly to the organisation. Economic costs incurred due to

turnover will be approximately double their yearly salary on average (Kaye & Jordan-Evans, 2005). Other costs are non-financial. These are usually described as indirect costs, for example reduced service to customers, loss of potential future leaders, low morale and there is greater probability of increased turnover amongst the left behind employees (Griffith & Hom, 2011). According to Dess and Shaw (2007) voluntary turnover can also result in loss of social capital. The construction of positive relationships between employees results in the occurrence of social capital (Memari *et al.*, 2013). When that association is cut due to voluntary turnover, organizational commitment can be negatively impacted. Therefore, broken teams and broken relationships can also result in employee turnover (Memari *et al.*, 2013).

In most situations, employees who resign from an organisation are usually replaced with new ones (Armstrong, 2012). This same thing also occurs in the health profession. Resigned nurses are replaced with newly appointed nurses (Mitchell, 2009). However it takes a period of between six and eight months for the new employees to become completely proficient in their workplaces. According to Litheko (2008), a high turnover rate results in a high nurse to patient ratio. A high turnover rate in a hospital also reduces the quality of services rendered to patients resulting in high medical and legal risks (Mitchell, 2009). Decreased cohesion amongst employees is also a result of turnover.

### **3.13 The value of having a retention strategy**

A retention strategy increases a company's ability to increase employee job satisfaction because increased employee satisfaction results in an increase to employee retention (Armstrong, 2009). A retention strategy keeps the talent pool deeper because talented employees are less likely to be motivated to leave just for money but they remain in an organisation which meets their needs and where there is a positive culture (McKeown, 2010).

A retention strategy also helps the leader of the organization see if employees have bought into their vision, and if not, what concerns and issues must be addressed (Forgacs, 2009). When implementing employee retention programs, companies discover their employees have many valuable suggestions to increase efficiency (Clouden, 2009). Employees become loyal when they know the employer is interested in their perceptions and values.

Employee retention strategies also result in increased team building and self-leadership, so more employees can take responsibility and work more effectively as part of a team (Davies, 2011). Therefore, employee retention strategies reduce the cost of recruiting.

### **3.14 Concluding remarks**

The shortage of nurses in South Africa is very high and there is need to retain the available nurses with the use of human resources practices. The following chapter will review how various human resources practices can be used to increase the commitment and retention of nurses in South Africa.

## CHAPTER 4

### RESEARCH METHODOLOGY

#### 4.1 Introduction

This chapter focuses on the research design and methodological procedures used in the research study. The chapter begins with an overview of the research methodologies. Included are the details of the population selected for the study, a description of respondents, sampling procedures, the variables investigated, and the instruments used for data collection, and finally the data analysis procedures. Ethical factors considered for this study are also presented.

#### 4.2 Overview of the research methodologies

To obtain needed information in any study or research project, an appropriate methodology has to be selected and suitable tools of data collection and analysis have to be chosen (Babbie, 2013). According to Creswell (2014), there are two well- known and recognized approaches to research, namely the qualitative paradigm and the quantitative paradigm. Quantitative research is according to Bless, Higson-Smith and Kagee (2013), research conducted using a range of methods which use measurement to record and investigate aspects of social reality. However, qualitative research is characterised by description of information regarding the sequence of events in the research study (Goodwin, 2007).

##### 4.2.1 Qualitative Approach

According to Shaughnessy (2011), the qualitative approach makes use of data obtained through interviews, observation and information obtained may be used to describe individuals, groups and social activities. In qualitative design, research findings are produced in verbal summaries and there is no statistical analysis. Research that utilises a qualitative

methodology will draw on data collection methods such as participant observation, in-depth interviews and/or focus groups (Jennings, 2011). As a consequence of it being an underlying paradigm, qualitative research is subjective, since it relies on the texts and discourses of participants. It involves small numbers of participants in the research process as a result of the process of gathering in-depth information (Goodwin, 2007)

Since qualitative reports are not presented as a statistical summation, but rather adopt a more descriptive, narrative style, this type of research is likely to be of particular benefit in revealing qualities of group experience in a way that other forms of research cannot (Blanche, Durreheim & Painter, 2006). However, one of the major limitations of qualitative research and evaluation is the time required for data collection, analysis and interpretation. The researcher has to spend a considerable amount of time formulating the research settings in order to examine, holistically and aggregately, the interactions, reactions and activities of subjects (Babbie, 2013).

#### 4.2.2 Quantitative Approach

A quantitative methodology abstracts data from the participants into statistical representations rather than textual pictures of the phenomenon (Goodwin, 2007). The entire research process is objectively constructed and the findings are usually representative of the population being studied. The method thus provides answers which have a much firmer basis than a lay person's common sense, intuition or opinion (Leedy & Omrod, 2012). For instance, in a talent management context it thus commences with theories, hypotheses or research questions about a talent management phenomenon, gathers data from the real world settings and then analyses the data statistically to support or reject the hypotheses (Welman, Krugger & Mitchell, 2006). The overall objective is to test or verify a theory, rather than develop one. Thus, the theory offers a conceptual framework for the entire study, serving also as an

organizing model for the research questions or hypotheses and for the entire data collection procedure (Blanche, Durrheim & Painter, 2006).

Researchers who adopt a more deductive approach use theory to guide the design of the study and the interpretation of the results (Neuman & Dickinson, 2011). A quantitative methodology abstracts data from the participants into statistical representations rather than textual pictures of the phenomenon (Cresswell, 2013). The entire research process is objectively constructed and the findings are usually representative of the population being studied (Cresswell, 2014). The main strengths of the quantitative approach lie in its precision and control (Bryman, 2012). Control is achieved through the sampling and design, and precise and reliable quantitative measurement. Moreover, hypotheses are tested through a deductive approach, and the use of quantitative data permits statistical analysis (Welman *et al.*, 2006). The method thus provides answers which have a much firmer basis than a lay person's common sense, intuition or opinion (Blance *et al.*, 2006).

#### 4.2.3 Research Design for this study

This study utilized a quantitative approach because, as noted by Leedy and Ormrod (2012), quantitative research design allows the researcher to answer questions about the relationships between measured variables with the purpose of explaining, predicting and controlling certain phenomena. In addition to that, Babbie (2013) also found that findings obtained from quantitative research are generalisable and the data is objective.

#### **4.3 Population of the study**

Cresswell (2013) defines population as the total number of all possible elements or units to be investigated in the research. It refers to the total of the entire elements in the region that is under investigation. In this research study, all nurses in Amathole District hospitals made up the population of the study which is 243 (N=243).



#### **4.4 Sample frame**

Babbie (2009) defines a sampling frame as a list of units or people that forms a population from which the sample is drawn. In this study, all the nurses in public health institutions under Amathole District make up the sampling frame.

#### **4.5 Sample**

According to Shaughnessy (2011), a sample is a set of items that is representative of the population under study. Bryman (2012) also define a sample as a group of elements drawn from the population, which is considered to be representative of the population, and which is studied in order to acquire some knowledge about the entire population. Using the raosoft sample size calculator as suggested by Babbie (2013), the sample size for this research study was 150 nurses.

#### **4.6 Sampling Method**

After determining the sample size, the next step is determining the sampling procedure to be used in order to obtain a sample that is representative. The preference of a suitable sampling method is dependent on the sampling procedure chosen. Blanche *et al.* (2006) define sampling procedure as a technique utilized by researchers to select representatives of the population to investigate. Random Sampling and non-random sampling are the two sampling procedures that can be used (Bless *et al.*, 2013). The random sampling procedure was used for the purposes of this research.

##### **4.6.1 Probability sampling methods**

In probability sampling, each member or unit of the population has got an equal chance of being selected and selection is done randomly (Leedy & Ormrod, 2012). Cluster sampling, simple random sampling, stratified random sampling and systematic random sampling are the sampling methods that fall under the probability sampling procedure (Cresswell, 2013).

Shaughnessy (2011) define simple random sampling as a method of sampling whereby each unit has the same probability of being randomly selected for the sample. However, this method is very time consuming and burdensome (Babbie, 2009). Another probability sampling method is cluster sampling. Wilburn (2006) defines cluster sampling as the process whereby the population is divided into groups called clusters and these serve as the chief sampling units. Randomly, a sample is drawn from these clusters. Cluster sampling less expensive because items are not selected one at a time and it is also less time consuming (Leedy & Omrod, 2012). Cluster sampling obtains accurate results for each element cost but it does not however produce the most efficient sample (Wilburn, 2006). Systematic sampling is also another example of a probability sampling method.

According to Cresswell (2013), systematic sampling is normally used to select a sample. The process begins by selecting a fixed starting point first and then the subsequent items will be obtained using constant intervals in between the points (Cresswell, 2014). Population size is known as  $N$  and sample size is known as  $n$ . The sampling interval ( $i$ ) is obtained by calculating the ratio of sample size to population size ( $i=N/n$ ) (Goodwin, 2007). For example, if the population is 1000 and the researcher wants a sample of 100 people, then the sampling interval would be every 10<sup>th</sup> person. Therefore the researcher has to select a number between 1 and 10 and that number will become the seed number. If the researcher gets a 5, the 5<sup>th</sup> person would be selected from the list followed by the 15<sup>th</sup> (5+10) and the 25<sup>th</sup> person will also be selected and so on (Goodwin, 2007). This sampling method is very convenient but however very expensive especially in situations where the population is geographically dispersed (Leedy & Omrod, 2012). Another probability sampling method is stratified random sampling.

Leedy and Ormrod (2012), defines stratified random sampling as a method whereby the whole population is divided into different strata based on certain attributes. For example,

workers are usually separated according to their various functions, for instance, the human resources department, accounting department, finance department and the information technology department. The sample is then drawn from all the relevant departments and this makes the sample more representative of the population.

#### 4.6.2 Non-probability sampling methods

In non-probability sampling, the likelihood of an element being included in the sample is not there and unknown (Shaughnessy, 2011). Convenience sampling, snowball sampling and purposive sampling fall under the non-probability sampling procedure.

Bryman (2012) defines convenience sampling as a process whereby the investigator plainly requests any volunteers they meet to participate in the research study. This method is very easy and less expensive. However, the sample can be unrepresentative of the population because not every element has the possibility of being chosen (Goodwin, 2007).

The snowball sampling method involves randomly selecting a number of people to participate in the research investigation. These random respondents are then required to nominate other participants and the nominated people become the second wave of participants. The same nomination process is done repeatedly until the sample size is reached (Masitsa, 2011). The addition of waves through nominations form the sample hence the name snowball effect. The snowball sampling method is very effective and appropriate when the investigator is looking for rare characteristics of the population (Tavakol & Dennick, 2011). This method is also cost effective.

Judgment sampling is another example of a non-probability sampling method. This method is most often used when no sampling frame exists and no parameters are known (Masitsa, 2011). This form of purposive sampling is commonly used where the researcher selects sample members to conform to some or other criterion (Mutodi & Ngirande, 2014). In

purposive sampling, the researcher seeks to investigate a certain population that has got a particular understanding, experience or characteristic (Babbie, 2009). In agreement, Sekaran and Bougie (2010) also point out that judgement sampling is a viable method for obtaining the type of information required from very specific pockets of people who alone possess the needed facts and can give the information sought. Judgment sampling involves the choice of subjects who are most advantageously placed or in the best position to provide the information required. This sampling methodology limits the generalisability of the sample. The geographical aspect of the sampling further limits the generalisability of the sample. As purposive sampling is a non-probability method of sampling, it is impossible to justify the extent to which such samples are representative of the relevant population (Welman *et al.*, 2006).

#### 4.6.3 Sampling procedure for this study

To successfully conduct the research, the stratified random sampling method was utilised. The participants were selected randomly in order to ensure representation of all categories of nurses. Stratified random sampling, according to Leedy and Ormrod (2012), is a modification of random sampling in which you divide the whole population into two or more strata based on one or more attributes. In this study, nurses were divided according to departments. Each department represents a stratum. To ensure that the samples adequately represent the relevant strata (departments), respondents were randomly selected from within each stratum, that is, from each department. Nurses were divided according to their various categories, for example, professional nurses, staff nurses, enrolled nurses, and nurse assistants. From each department, a sample was drawn to avoid under representation of the nurses. This improves the reliability of the results of the research

## 4.7 Data Collection

Data was collected through the use of a structured questionnaire. According to Babbie (2009), a questionnaire is a document containing questions and other types of items designed to solicit information appropriate to analysis. The questionnaire contained three sections on biographical information, training, and retention. Questionnaires were used because:

- Research objectives are translated to specific questions.
- They allow standardisation of questions and category of responses are also similar therefore participants respond to the same stimuli.
- The data analysis process is faster because respondents answer the same questions.
- They are cost effective and obscuring is easier to observe through questionnaires

## 4.8 Research instruments

A questionnaire is a manuscript that contains questions designed to request for information pertaining to a certain subject and this allows appropriate analysis (Babbie, 2013).

Four instruments were utilized to design the questionnaire and compute the variables in this study. These are the *Biographical Questionnaire*, the *Organizational Commitment Questionnaire*, the *Intention to leave questionnaire* and the *Human Resource practices questionnaire*.

### 4.8.1 Biographical Questionnaire

A self-designed biographical and occupational questionnaire was used for sample description. The Biographical Questionnaire was used to collect data pertaining to the variable of demographic variables. Such demographic variables to be tested include age, gender, marital status, school area, experience, and qualifications rank.

#### 4.8.2 Organizational commitment Questionnaire **RELIABILITY**

##### **Background**

The Organizational Commitment Questionnaire (OCQ) was developed as a reliable measure of organizational commitment (Meyer & Allen, 1997). Basically, the scale seeks to measure employees` motivation to put forth substantial effort and a strong aspiration to continue membership.

##### **Items**

The questionnaire consists of 18 items (six items for each scale) i.e. affective commitment, continuance commitment and normative commitment. The items deal with the factors influencing employees to become dedicated or committed to their organizations.

##### **Scoring**

The Organizational Commitment Questionnaire (OCQ) is a self-scoring questionnaire. Responses to each of the six items are rated using a 5-point Likert scale with anchors labeled: 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree, 5= strongly agree.

#### 4.8.3 Intention to leave questionnaire

##### **Background**

The intention to leave questionnaire is often used as a proxy to employee retention. Questions measuring employee retention were adopted from the Michigan Organisational questionnaire (Cammann, Fichman & Klesh, 1979) and a questionnaire by Landau and Hammer (1986). The scale seeks to measure the intention of respondents to leave the job. Intention to quit will be used as a proxy of actually quitting which in turn is the opposite of retention. This is done

because of the difficulty in measuring actual retention. Johnsrud and Rosser (1999) through several studies found out that often researchers often used intention to quit as a proxy for actual turnover because of the difficulties to study turnover.

### **Items**

The questionnaire contains a three-item scale used to measure intention to quit. These were developed using declarative statements that aimed to capture nurse` plans on whether to stay or leave the job (Landau & Hammer, 1986).

### **Scoring**

The Intention to Leave Questionnaire (OCQ) is a self-scoring questionnaire. Responses to each of the six items are rated using a 5-point Likert scale with anchors labeled: 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree, 5= strongly agree.

#### 4.8.4 HR Practices Questionnaire.

A questionnaire consisting of 32 items was presented in the form of a 5-point likert scale with endpoints: 1 = Strongly disagree, 5 = Strongly agree).The Human Resources Practices questionnaire was developed by adopting items that originated from questionnaires designed to measure compensation and rewards, training and career opportunities, management style, performance management and employee engagement (Dockel, 2003).

#### HR Practice

#### Scale

Compensation and Reward Practices: 6 item measure by Teseema and Soeters (2006)

Performance management practices: 6 item scale by Teseema and Soeters (2006)

Training and career opportunities practices: 3 item measure by Teseema and Soeters (2006)

Engagement and Empowerment: 8 item scale developed by Tremblay (1997)

Management Style: 9 item scale developed by Tremblay (1997)

#### 4.8.5 Reliability of the questionnaire

According to Cresswell (2013), an instrument is said to be reliable if it yields the same result when applied repetitively to the same element or object. Similarly, Mutodi and Ngirande (2014) define reliability as the consistency of a measure to yield similar results repeatedly. Leedy and Ormrod (2012) add that a reliable instrument contains a bare minimum measurement of error. An instrument is said to be valid when it measures what it is believed to measure (Babbie, 2009).

In this study reliability was measured on all scales of the instrument using Cronbach Alpha. The Cronbach's alpha reliability coefficient for the questionnaire was 0.921. A coefficient of more than 0.7 is regarded as highly reliable (Babbie, 2009).

**Table 2: Reliability of the questionnaire**

Cronbach's Alpha	N of Items
.921	59

Source: Generated from research

#### 4.8.6 Pretesting the questionnaire

A pilot study was conducted prior to the distribution of questionnaires. A pilot study is a requirement of a good research strategy. Pretesting involves the use of a small number of respondents to test the appropriateness of the questions and their comprehension. This helps to rectify any inadequacies, before administering the questionnaire to respondents in the main



study (Sekaran and Bougie, 2010). In this study, a few nurses in a certain clinic were used to pre-test the questionnaires. Adjustments to the questionnaire were made taking note of the comments provided by the respondents.

According to Cresswell (2014) the reason behind a pilot study is to refine the questionnaire in order to avoid problems when the respondents answer the questionnaire and in recording the data. Similarly Masitsa (2011) states that a pilot study reveals deficiencies in the design of a proposed study and these can then be addressed before time and resources are expended on large scale studies. Thus a pilot study serves as a rehearsal of the main investigation.

#### **4.9 Administering of the questionnaire**

After designing the questionnaire and conducting a pilot study, the questionnaire will be ready for distribution (Tavakol & Dennick, 2011). There are different ways in which a questionnaire can be distributed to respondents. It can be distributed via post, online or it can be distributed personally by the researcher (Tavakol & Dennick, 2011).

Breakwell *et al.* (2006) states that the process of posting questionnaires involves the distribution of questionnaires via mail. The approach requires the researcher to have each participant's address. Self-addressed envelopes and cover letters usually come with the questionnaire. Questionnaire administration via post has got its limitations such as a low response rate because the researcher will not be in direct contact with the research respondents (Cresswell, 2013). Online questionnaire administration makes use of the internet in the distribution through either email or through a website (Cresswell, 2014). To ensure an excellent response rate, the questionnaire recipients have to be highly motivated to fill it and return it back (Bryman, 2012). For this approach to be effective, all research respondents have to have access to the internet and the knowledge to use it.

The following steps were taken in the questionnaire distribution for this study:

Firstly, discussions were held by the researcher and human resources department of each hospital regarding the research and questionnaire distribution. 95% of them wanted the questionnaires left so that they could distribute the questionnaire themselves. The idea was if the researcher had distributed the questionnaires, there was going to be some disturbances in the work process;

- Visits were made to each organization by the researcher to leave the questionnaires with the HR officials. The respondents were informed that anonymity and confidentiality will be observed regarding the information they give on the questionnaire.
- The data collection process was done in a period of two months to ensure a high response rate;
- A follow- up strategy was put in place whereby certain appointed HR officials of the hospitals would follow up the questionnaires every week. The researcher collected the completed questionnaires in every two weeks.

The researcher chose to personally distribute the questionnaires because this method is cost effective, anonymity and confidentiality of the respondents is ensured and a high response rate is guaranteed. The major benefit of this method is that the investigator is able to collect all completed questionnaires within a short period (Sekaran & Bougie, 2010).

#### **4.10 Data analysis**

The researcher analyzed data by coding the answers, and there onwards, decoding them into graphs and figures using excel data sheet and the research is descriptive quantitative in nature. Descriptive statistics (e.g. frequencies and percentages) was used to describe the data in summary form. Pearson product-moment correlation coefficient was used to specify the relationships between the independent and dependant variables. The level of statistical significance was set at  $p < 0.05$  thus correlation analysis was carried out to test the relationship between HR practices, organizational commitment and employee retention. Multiple Regression analysis was also used to determine the magnitude of the influence of

each independent variable (human resources practices) towards the dependant variables organisational commitment and employee retention.

#### **4.11 Ethical considerations**

In conducting this study, the researcher followed various ethical considerations during different stages of the research project. According to Leedy and Ormrod (2012), ethics are rules, guidelines or principles that determine and recommend behaviour as morally wrong or correct.

According to Mutodi and Ngirande (2014) the following ethical issues ought to be adhered to when conducting a research project:

- Participants should volunteer to participate in the investigation and they should be informed of their right to withdraw from the research at any stage if they wish to do so.
- Informed consent should be sought before the investigation commences and any potential deception of the participants should be avoided.
- Data provided by research participants should be maintained in a confidential manner and anonymity should be observed.
- Privacy should be observed when the respondents are filling the questionnaires.
- The research study should not harm the participants in any way through the way the researcher will report on the data
- The researcher should maintain objectivity when reporting on the data.

To successfully conduct this study, several ethical issues were addressed while collecting data. Permission to carry out the study was sorted from the University through the Research Committee. Informed consent was sought by the researcher. The respondents were informed that they had a right to accept or withdraw from the research at any stage in the research process. The researcher also informed both the organisation and respondents that the collected information will be solely used for academic purposes. Strict confidentiality and guarding respondents' privacy was one of the primary responsibilities of the researcher.

#### **4.12 Concluding remarks**

Included in this chapter was a presentation of the population selected for the study, a description of respondents, sampling procedures, the instrument used for data collection and finally the data analysis procedures that were utilised in this research. The ethical considerations that were followed in this research were also discussed in this chapter.

## **CHAPTER 5**

### **PRESENTATION AND DISCUSSION OF RESULTS**

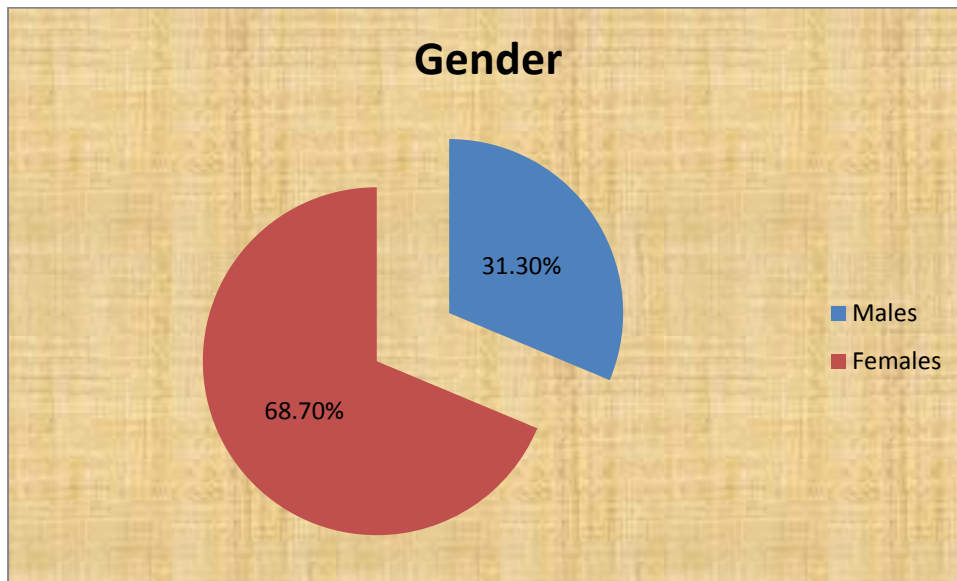
#### **5.1 Introduction**

This chapter consists of data presentation and discussion of the results obtained in this study. Data was analysed through descriptive and inferential statistics. Descriptive statistics through the use of frequencies and percentages were used to present findings on the demographics of the study. Inferential statistics was used to determine the relationships between independent variables` constructs (Human Resource practices) and the dependent variable (retention) so as to test the hypotheses of the study.

#### **5.2 Descriptive statistics**

The demographic variables are presented in the form of frequencies and percentages. These include gender, age, years of experience, occupational level and highest qualification of employees.

### 5.2.1 Gender

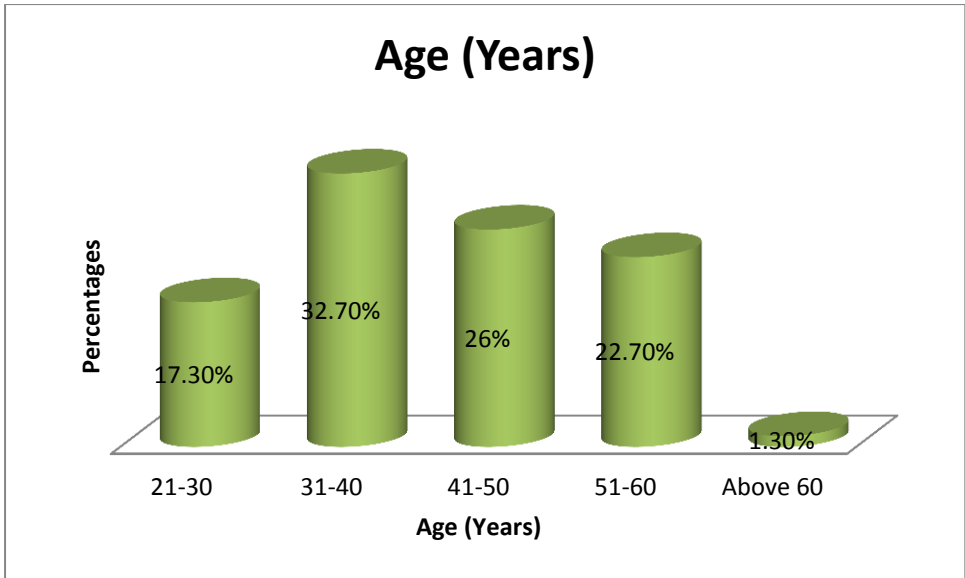


**Figure 3:** Gender compositions of the respondents.

Figure 3 above shows that the out of the 150 nurses in the sample, females were 107 (68.7%) and 43 (31 %) were males. These results indicate that the nursing profession is female dominated.

### 5.2.2 Age

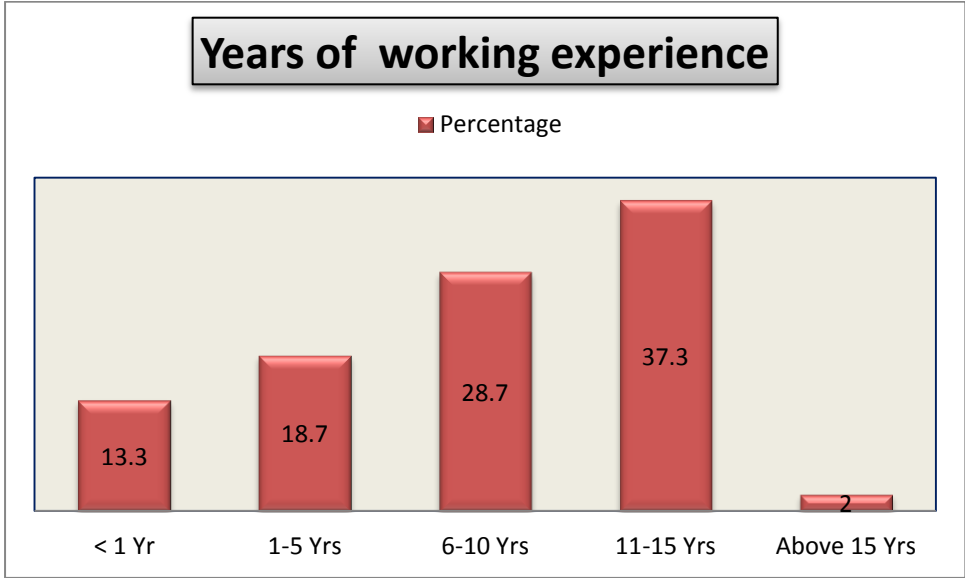
Figure 4 below shows that out of the 150 nurses who participated in this study, 26 (17.3%) of them were between the age of 21 and 30 years, 49 (32.7%) were between 31 and 40 years, 39 (26%) were between 41-50 years, 34 (22.7%) were between 51 and 60 years and lastly, 2 (1.3%) were above 61 years of age. The bulk of the respondents were between 31 and 40 years of age and, 61.7% of the sample is above the age of 40.



**Figure 4: Age**

5.2.3 Experience

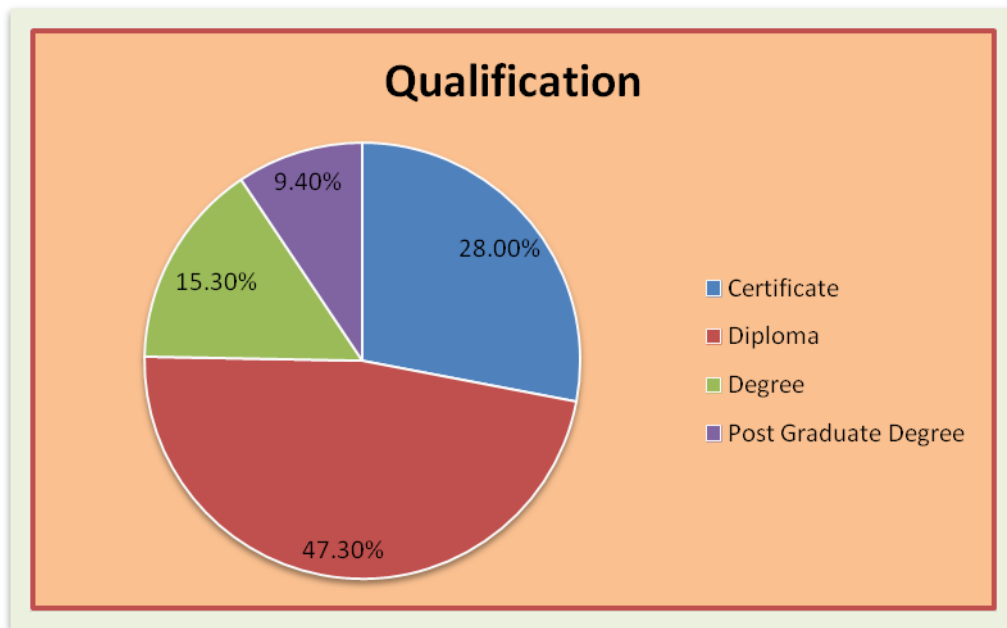
As for tenure, the figure 5 below shows that 60.7% (91) of the respondents had 10 or less years of experience whilst 39.3% (59) respondents had experience of more than 10 years.



### Figure 5: Years of experience

#### 5.2.4 Highest qualification obtained

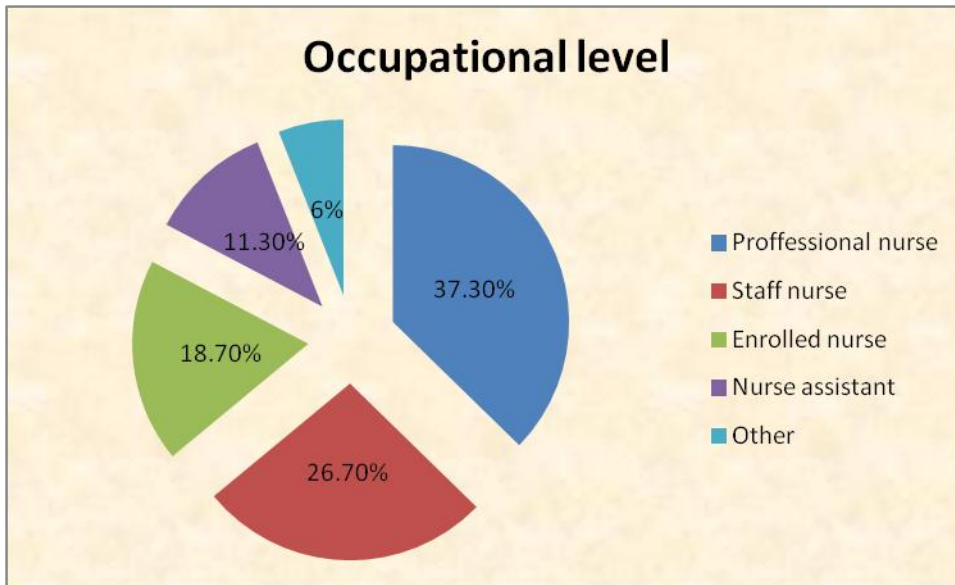
Figure 5 below shows that 28 % (42) of the respondents had certificates, 47.3% (71) had diplomas, 15.3 % (23) had degrees and 9.4% (14) had post graduate degrees.



### Figure 6: Qualification

#### 5.2.5 Occupational level

Figure 7 below shows that professional nurses were 37.3% (54), staff nurses were 26.7% (40), enrolled nurses were 18.7% (28), nurse assistants were 17 (11.3%) and the other 6% (9) consisted of student nurses and general hand nurses.



**Figure 7: Occupational Level**

### 5.3 Inferential statistics: Hypothesis Testing

The hypotheses for this study were tested using inferential statistics through the use of correlation analysis and multiple regression analysis. It should be recalled that the aim of this study was to investigate the the impact of human resource practices on employee commitment and retention among nurses in Amathole district, South Africa.

Correlation analysis measured the relationship between the human resources practices, organisational commitment and employee retention. Correlation coefficients were computed to indicate the direction and strength of the relationship between the variables. To support the results from correlation analysis, multiple linear regression analysis was also conducted.

Multiple linear regression analysis was also selected to investigate the variables under study. The linear regression model measures the magnitude of the independent variables towards the dependant variable. In this research, there were five independent human resources (HR) practices (training and development opportunities, compensation and rewards practices, performance evaluation practices, and managerial leadership style and employee



engagement) and two dependent variables (organisational commitment and employee retention). Table 3 below shows the correlation analysis results for the hypotheses that were tested in this study.

**Table 3:** Correlation Analysis

<b>Correlations</b>						
		<b>Affective Commitment</b>	<b>Continuance Commitment</b>	<b>Normative Commitment</b>	<b>Overall Organisational Commitment</b>	<b>Employee Retention</b>
<b>Compensation and Reward Practices</b>	Pearson Correlation	.355**	.164*	.210**	.715**	.892**
	Sig. (2-tailed)	.000	.044	.010	.000	.000
	N	150	150	150	150	150
<b>Performance Evaluation Practices</b>	Pearson Correlation	.301**	.178*	.217**	.295**	.175
	Sig. (2-tailed)	.000	.030	.008	.000	.072
	N	150	150	150	150	150
<b>Training and Development Opportunities</b>	Pearson Correlation	.313**	.206*	.381**	.722**	.629**
	Sig. (2-tailed)	.000	.012	.000	.000	.000

	N	150	150	150	150	150
<b>Managerial Leadership Style</b>	Pearson Correlation	.346**	.126	.220**	.298**	.157
	Sig. (2-tailed)	.000	.126	.007	.000	.056
	N	150	150	150	150	150
<b>Employee Engagement Practices</b>	Pearson Correlation	.107	.334**	.056	.210**	-.055
	Sig. (2-tailed)	.193	.000	.495	.000	.056
	N	150	150	150	150	150
<b>**.</b> Correlation is significant at the 0.01 level (2-tailed).						
<b>*</b> . Correlation is significant at the 0.05 level (2-tailed).						

### 5.3.1 Hypothesis 1

The null hypothesis ( $H_0$ ) stated that “there is no significant relationship between training and development opportunities and organizational commitment” and the alternative Hypothesis ( $H_1$ ) stated that “there is a significant relationship between training and development opportunities and organizational commitment”. Training and development opportunities were the independent variable whilst organisational commitment was the dependent variable. The results in table 3 reveal that there is a positive significant relationship between training and development opportunities, and overall organisational commitment ( $r=0.722$ ;  $p=0.000$ ). Therefore, the null hypothesis is rejected. These results are consistent with the study of Armstrong (2012) which reported that employees seek and commit to organisations that are willing to invest in them through training and development opportunities. The results also show that training and development opportunities positively correlate to all the facets of organisational commitment (affective, continuance and normative).

### 5.3.2 Hypothesis 2

The second hypothesis was stated as  $H_0$  “there is no significant relationship between training and development opportunities and employee retention” and the alternative hypothesis ( $H_2$ ) “there is a significant relationship between training and development opportunities and employee retention”. Results from the correlation analysis conducted on hypothesis 2 indicate that there is a significant relationship between training and development opportunities and employee retention ( $r=0.629$ ;  $p=0.000$ ). This correction indicates that the relationship is positive and moderately significant, thus the null hypothesis is rejected. Therefore, the collected data on nurses supports the alternative hypothesis that the provision of training and development opportunities leads to employee retention. Litheko (2008) also reported that there is positive significant relationship between training and development opportunities and employee retention.

### 5.3.3 Hypothesis 3

In the third hypothesis, the null hypothesis ( $H_0$ ) was stated that “there is no significant relationship between compensation and rewards practices and organizational commitment” and the alternative hypothesis ( $H_3$ ) stated that “there is a significant relationship between compensation and reward practices, and organizational commitment”. Compensation and Rewards is the independent variable while organisational commitment is the dependent variable. The results on hypothesis 3 show that there is a significant positive relationship between compensation and rewards, and overall organisational commitment ( $r= 0.715$ ;  $p=0.000$ ). As a result, the null hypothesis is rejected. The results are consistent with the findings of a study conducted by Pillay (2009) on nurses where rewards were found to be positively correlated to organisational commitment. The correlation results also reveal that compensation and rewards practices have a significant relationship with all the three types of organisational commitment (affective, continuance and normative).

#### 5.3.4 Hypothesis 4

In the fourth hypothesis of the study, the null hypothesis ( $H_0$ ) stated that “there is no significant relationship between compensation and rewards practices and employee retention” and the alternative hypothesis ( $H_4$ ) stated that “there is a significant relationship between compensation package benefits and employee retention”. Correlation analysis on this hypothesis revealed that the  $r$ -value =0.892 and  $p=0.000$ . These results indicate that there is positive significant relationship between compensation and rewards practices and employee retention. Therefore the null hypothesis is rejected. The Pearson correlation coefficient for this hypothesis indicates that compensation and rewards practices are an important predictor of the retention of nurses in public hospitals. Employees stay in organizations where they are satisfied with the salaries that they receive.

#### 5.3.5 Hypothesis 5

In hypothesis 5, the null hypothesis ( $H_0$ ) stated that “there is no significant relationship between performance evaluation practices and organizational commitment” and the alternative hypothesis ( $H_5$ ) was “there is a significant relationship between performance evaluation practices and organizational commitment”. A statistically significant positive correlation was found between performance evaluation practices and organizational commitment ( $r=0.295$ ;  $p =0.000$ ). Thus the null hypothesis is rejected. These results suggest that performance evaluation practices improve the organizational commitment of employees. Results also reveal that the affective, continuance and normative commitment of employee is positively correlated with performance evaluation practices. Similarly, Juhdi *et al.* (2011) report that when performance evaluation processes are perceived to be fair, employees become more committed to the organisation.

### 5.3.6 Hypothesis 6

The sixth hypothesis of the study was stated as *H0* “There is no significant relationship between performance evaluation practices and employee retention” and the alternative hypothesis (*H6*) “there is a significant relationship between performance management and employee retention”. The results show that there is no significant positive relationship between performance management and employee retention ( $r=0.175$ ;  $p=0.720$ ). Since p-value is greater than 0.05, we do not reject the null hypothesis and conclude that performance management does not have an effect on employee retention. These results reveal that performance management practices do not affect employees’ intentions to remain in an organization. In contrast, Chew and Chan (2008) report that performance management practices contribute largely to employee retention.

### 5.3.7 Hypothesis 7

In hypothesis 7, the null hypothesis (*H0*) was stated as “there is no significant relationship between managerial leadership style and organizational commitment” and the alternative hypothesis (*H7*) was stated “there is a significant relationship between managerial leadership style and organizational commitment”. Managerial leadership style was the independent variable while organizational commitment was the dependent variable. Correlation analysis results show that there is a positive significant relationship between managerial leadership style and organizational commitment ( $r\text{-value}=0.295$ ;  $p\text{ value}=0.000$ ). As a result of these values, the null hypothesis is rejected. The results also show that it is the affective and normative commitment of employees that is influenced by managerial leadership style leaving out continuance commitment. Similarly, Northouse (2010) found managerial leadership style to be positively related to employees’ organisational commitment and retention in federal organisations in Australia.

### 5.3.8 Hypothesis 8

The eighth hypothesis had the null hypothesis ( $H_0$ ) stated as “there is no significant relationship between managerial leadership style and employee retention” and the alternative hypothesis ( $H_8$ ) was “there is a significant relationship between managerial leadership style and employee retention”. Results on table 8 indicate that there is no significant relationship between managerial leadership style and employee retention ( $r=0.157$ ;  $p=0.056$ ). Therefore the null hypothesis is accepted. These results are consistent with the results found in a study conducted by Richard (2010) where it was that there is no association between leadership style and employee retention in public hospitals in Iran.

### 5.3.9 Hypothesis 9

This study also hypothesized that ( $H_0$ ) “there is no significant relationship between employee engagement practices and organizational commitment” and the alternative hypothesis ( $H_9$ ) stated that “there is a significant relationship between employee engagement practices and organizational commitment” The results show a significant positive correlation between employee engagement and organizational commitment ( $r=0.210$ ;  $p= 0.000$ ). As a result, the null hypothesis is rejected. These results make known that the more an employee is engaged in an organization, the higher the levels of commitment. However, the correlation results also reveal that it is specifically the continuance commitment of employees that is positively correlated to employee engagement not the other types of organizational commitment (affective and normative). Similarly, research conducted by Research conducted by Linley, Harrington and Garcea (2010) confirms that employee engagement activities improve employee organisational commitment therefore having highly engaged employees is critical for organisational commitment in an organisation.

### 5.3.10 Hypothesis 10

In hypothesis 10, the null hypothesis ( $H_0$ ) was stated “there is no significant relationship between employee engagement practices and employee retention” and the alternative hypothesis ( $H_{10}$ ) was stated “there is a significant relationship between employee engagement activities and employee retention”. Employee engagement was the independent variable and employee retention is the dependent variable. The results show that there is no relationship between employee engagement and employee retention ( $r=-0.055$ ;  $p=0.056$ ). Therefore, the null hypothesis is accepted. These results are in contrast to the study of Haid and Sims (2009) which stated that highly engaged employees are more likely to remain in an organization for a very long time.

### **5.4 Regression Analysis**

Two separate regression equations were developed and tested in this study. The regression equations were designed in the following format:

**Equation 1:** training and development opportunities + compensation and reward practices + performance evaluation practices + managerial leadership style + employee engagement = Organisational commitment

**Equation 2:** training and development opportunities + compensation and reward practices + performance evaluation practices + managerial leadership style + employee engagement = Employee retention

#### 5.4.1 Equation 1

The five human resources practices were tested to determine the magnitude and direction of their impact on organisational commitment. The results on the analysis of equation 1 are shown in table 4.

**Table 4:** Model Summary-Equation 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.818 <sup>a</sup>	.675	.626	.598

a. Predictors: (Constant), TRAINING, ENGAGEMENT, REWARDS, LEADERSHIP, PERFORMANCE

The model summary shows that the R Square value is 0.675. This means that 67.5 % of the dependent variable, organisational commitment is explained by the 5 predictor variables (training and development opportunities, compensation and rewards, performance evaluation practices, managerial leadership style and employee engagement).It is concluded that the other 32.5% is explained by other factors that can potentially influence organisational commitment.

**Table 5:** Anova model analysis -Equation 1

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	92.913	9	8.183	12.092	.000 <sup>b</sup>
Residual	51.596	80	.758		
Total	144.509	89			

a. Dependent Variable: OVERAL COMMITMENT

b. Predictors: (Constant), TRAINING, ENGAGEMENT, REWARDS, LEADERSHIP, AVERAGE PERFORMANCE

The table above yielded a satisfactory result because the significance level of the model is 0.000 which is less than 0.05.This means that the five human resources practices have got a statistically significant impact on organisational commitment.

**Table 6:** Regression Coefficients-Equation 1



Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.762	.359		3.907	.000
	REWARDS	.436	.163	.316	2.159	.033
	PERFORMANCE	.283	.121	.270	1.680	.001
	LEADERSHIP	.104	.100	.100	.338	.000
	ENGAGEMENT	.145	.186	.120	.383	.012
	TRAINING	.315	.186	.286	2.191	.014

a. Dependent Variable: OVERALL COMMITMENT

### Multiple Regression equation

$$Y = C + \beta_1 + \beta_2 + \beta_3 + \beta_4 + \beta_5 + \beta_6 + \dots + \beta_n + E$$

Y=the predicted relationship between the independent variables towards organisational commitment

C=Constant Value

$\beta$  =Unstandardized coefficient

$n$  =Independent variable dimension (training and development opportunities, compensation and rewards, performance evaluation practices, managerial leadership style and employee engagement).

E=Standard Error

From the above table, the following equation is formulated;

$$Y = 1.762 + \beta_1 0.436 + \beta_2 0.283 + \beta_3 0.104 + \beta_4 0.145 + \beta_6 0.315 + E$$

This means that an increase in 1 unit of compensation and rewards practices ( $\beta_1$ ) may result in an increase of 0.436 units in organisational commitment (Y).An increase in 1 unit for the

independent variable performance evaluation practices will also lead to an increase of 0.283 units in organisational commitment. However, 1 unit increases in managerial leadership style and employee engagement will also yield increases of 0.104 and 0.145 to organisational commitment respectively. On the other hand, an increase in 1 unit of training and development opportunities can incur an increase of 0.315 units in organisational commitment.

From the above table, compensation and rewards practices is the strongest independent variable in contributing to organisational commitment when compared to others because it has got the highest positive beta of 0.436. However, all the independent variables contribute to organisational commitment positively.

#### 5.4.2 Equation 2

Equation 2 also tests the magnitude and direction of the five human resources practices towards employee retention. The results on the analysis of the equation are shown in the following tables.

**Table 7:** Model summary for equation 2

<b>Model Summary</b>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.843 <sup>a</sup>	.711	.706	1.08227681255 2313

a. Predictors: (Constant), AVERAGE TRAINING, AVERAGE ENGAGEMENT, AVERAGE REWARDS, AVERAGE LEADERSHIP, AVERAGE PERFORMANCE

The model summary shows that the R Square value is 0.711. This means that 71.1 % of the dependent variable, employee retention is explained by the 5 predictor variables (training and

development opportunities, compensation and rewards, performance evaluation practices, managerial leadership style and employee engagement). It is concluded that the other 28.5% is explained by other factors that can potentially influence employee retention.

**Table 8:** ANOVA model: Equation 2

**ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	16.071	5	3.214	2.744	.021 <sup>b</sup>
Residual	168.671	144	1.171		
Total	184.741	149			

a. Dependent Variable: EMPLOYEE RETENTION

b. Predictors: (Constant), TRAINING, ENGAGEMENT, REWARDS, LEADERSHIP, PERFORMANCE

The table above yielded a satisfactory result because the significance level of the model is 0.021. This means that the five human resources practices have got a statistically significant impact on employee retention.

**Table 9:** Regression Coefficients –Equation 2

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	2.477	.649		3.816	.000
E REWARDS	.448	.114	.239	2.264	.025
PERFORMANCE	-.225	.219	.142	1.024	.308
LEADERSHIP	-.044	.181	-.031	-.240	.810
ENGAGEMENT	.207	.156	-.120	-1.326	.187
TRAINING	.430	.156	.980	2.753	.003

a. Dependent Variable: RETENTION

From the above table, the following equation is formulated;

$$Y = 2.477 + \beta_1 0.448 + (\beta_2 - 0.225) + (\beta_3 - 0.044) + \beta_4 0.207 + \beta_5 0.430$$

The above table and equation show that an increase of 1 unit in compensation and rewards practices ( $\beta_1$ ) may result in an increase of 0.448 units in employee retention ( $Y$ ). However, 1 unit increases for the independent variables performance evaluation practices and managerial leadership style lead to a decrease of 0.225 units and 0.044 units in employee retention respectively. On the other hand, an increase in 1 unit of employee engagement practices result in 0.207 unit increase of employee retention. An increase of 0.430 units in employee retention is also incurred if training and development opportunities are increased by 1 unit.

The multiple regression results show that compensation and rewards, training and development opportunities and employee engagement are very important human resources factors that impact positively on employee retention. However, performance management practices and managerial leadership style have got a negative impact on employee retention because of the negative magnitude values they yield towards employee retention.

## **5.5 Concluding remarks**

This chapter provided a full description and explanation of the results found in the study. Correlation analysis was used to test the hypothesis of the study and regression analysis was also conducted to support the results found from correlation analysis. Tables and figures were drawn to give a visual presentation of the results. Discussions on the results will be presented in the following chapter.

## **CHAPTER 6**

### **CONCLUSIONS, RECOMMENDATIONS AND LIMITATIONS**

#### **6.1 Introduction**

The research findings of this study were presented in the previous chapter. This chapter will present some conclusions, recommendations and limitations for this study. The objectives of this research were to determine the impact of human resources practices on nurse retention in public hospitals, to determine the influence of human resources practices on organizational commitment of nurses, to identify the relationship between employee organizational commitment and retention and to recommend a retention strategy upon which public health institutions can follow based on research findings. Conclusions and recommendations were drawn from the ten hypotheses that were tested for this study.

#### **6.2 Conclusions**

Conclusions and answers to the research questions of this study are presented below based on the findings of this research study

### 6.2.1 Research Question 1

*Is there a relationship between HR practices and nurse retention in public health sector organizations?*

The questionnaire focused on human resources practices such as training and development opportunities, compensation and reward practices, performance evaluation practices, managerial leadership style and employee engagement practices. Research findings indicate that the availability of sound human resources practices affect nurse retention positively in South Africa`s public hospitals. However, poor design and execution of the human resources practices may result in an increase of nurse turnover.

Responses from the participants clearly reveal that nurses value the availability of specialised training, competitive salaries and benefits to stay within an organisation for a very long time. A strong relationship with employee retention was found with independent variables compensation and rewards and training and development opportunities because nurses desire and value competitive salaries and career development in the workplace.

The results also indicate that the availability of sound performance evaluation activities, strong leadership style, and employee engagement activities does not influence the nurses` decisions to remain in an organisation but however, the unavailability these practices conversely results in nurse turnover. Therefore, with regard to nurse retention, performance evaluation practices, managerial leadership style and employee engagement activities act as hygiene factors whilst training and development opportunities, compensation and reward practices act as the motivators. It can be concluded that there is a relationship between HR practices and nurse retention in public health sector organisations but each human resource practice has got a different relationship magnitude to employee retention.

### 6.2.2 Research Question 2

*How do HR practices affect the organisational commitment of nurses?*

The HR practices (training and development opportunities, compensation and reward practices, performance evaluation practices, managerial leadership style and employee engagement practices) exert varying effects on the commitment of nurses. Organisational commitment has three facets which are affective, continuance and normative commitment.

Compensation and reward practices affect organisational commitment positively. Results indicated that the presence of competitive salaries and benefits increase the affective, continuance and normative commitment of nurses. The absence of a good salary may also result in a decrease in the commitment levels of nurses. Pillay (2009) also reported that compensation and rewards practices contribute largely to the organisational commitment of nurses. Results also show that if nurses are afforded with career development activities, all types of organisational commitment increase. A study conducted by Armstrong (2009) also reported that employees commit to organisations that are willing to invest in them through training and development. Fair performance evaluation practices also induce the affective, continuance and normative commitment of nurses. Performance evaluation influences the contentment of nurses therefore if this process is not properly executed, well articulated, employee commitment levels may decrease. Juhdi *et al.* (2011) also reported that when performance evaluation processes are perceived to be fair, employees become more committed to the organisation. The managerial leadership style that is used by public health institutions shows various managerial attitudes, behaviours and skills that directly influence the organisational commitment of nurses.

### 6.3 Recommendations

The high vacancy rate and nurse to patient ratio in South Africa`s health sector clearly shows that there is a shortage of nurses in the country. This shows that there is a high need to retain the nurses that are currently employed by different health organisations. From the findings of this research study, the recommendations are given below to form part of a nurse retention strategy in South Africa:

- ❖ Research findings of this study reveal that most nurses commit to and remain in organisations that are willing to invest in them through career development opportunities. Therefore, to increase the nurse commitment and retention, employers should prepare and provide these development opportunities through offering career guidance, nursing workshops, conferences and post graduate education .There is also need for the establishment of more nursing schools that offer specialised training of nursing skills. The provision of career development opportunities to nurses increases the affective and normative commitment of nurses. Management should support life-long learning.
- ❖ The literature review and findings of this study also indicate that rewards and benefits determine to a large extent the commitment and retention of nurses. It is therefore recommended that the salaries and benefits offered to nurses should match those offered overseas. Nurses need to be satisfied with the salaries that they receive in order to increase their affective and continuance commitment .The compensation and rewards package should be internally and externally equitable. Incentives and allowances should be improved to promote the commitment and retention of nursing staff.
- ❖ Research findings also show that there is a relationship between performance management system and organisational commitment. This implies that performance management should be taken seriously by management as a tool for organisational commitment. Therefore, the researcher also recommends that the performance management system should be linked with the reward system in order to improve the work performance of nurses. Employee affective commitment increases when good performance is noticed and rewarded. It is also recommended that organisations should provide feedback on performance results. The performance management system should be knowledgeable and must be conducted in a fair manner.
- ❖ On managerial leadership style, research findings revealed that there is a positive relationship between management style and organisational commitment. Therefore the researcher recommends that management in hospitals should use the participative leadership style that allows nurses to participate in the decision making and day to day running of the hospital. Employees feel valued when they are involved in the organisation`s decision making process and this increases employee commitment.



- ❖ Another important finding of this research is that highly engaged employees are also highly committed employees. Therefore the researcher recommends that organisations should create platforms to boost employee engagement in hospitals through offering inspiring leadership, meaningful work, growth opportunities, recognition and rewards for performance and developing a people focused organisational culture. Employee engagement should be regarded as an important tool for both organisational commitment and employee retention.

#### **6.4 Limitations of the study**

Most of the biographical aspects under investigation were similar for many participants. Therefore the recommendations for this study can only be applicable for the nurses surveyed until further research allows them to be applicable to other nurses. This research was done in Amathole District, Eastern Cape therefore the recommendations are also limited to hospitals falling under this district unless further research is done to prove that these research findings can also be generalised and made applicable to all the districts and provinces in South Africa. This research only utilised the quantitative design in its methodology therefore there was no room for the research participants to explain their responses.

#### **6.5 Directions for future Research**

- ❖ This study only focused on public hospitals. Further studies on this research should include an investigation of private hospitals also in order to see if commitment and retention factors found in public hospitals are the same as the ones valued in private hospitals.
- ❖ This research looked at the impact of human resources practices on nurse commitment and retention. Further studies can be directed towards investigating the impact of demographic variables on nurse commitment and retention.
- ❖ Future research on this research topic should also include all health professionals (doctors, nurses, pharmacists) since they all work in hospital.
- ❖ Further research on this research topic should make use of both quantitative and qualitative design through the use of interviews so that more explanations can be drawn from the research participants.

#### **6.6 Concluding remarks**

The findings of this research study indicate that most human resources practices have got an influence in the commitment and retention of nurses in hospitals. It can be concluded that

hospitals under Amathole District in Eastern Cape Province can improve the commitment and retention of nurses by taking note of the recommendations laid out in this study.

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## APPENDIX A

### REQUEST ON GRANTING ACCESS TO CONDUCT RESEARCH

FACULTY OF MANAGEMENT AND COMMERCE

SCHOOL OF BUSINESS AND ENTERPRISE

DEPARTMENT OF INDUSTRIAL PSYCHOLOGY



University of Fort Hare

PRIVATE BAG X 1314, ALICE 5700, SOUTH AFRICA

*Together in Excellence*

TEL: (040) 602 2607

MOBILE:

cmurugan@ufh.ac.za

Sir/Madam

**Request on granting access to your organisation for conducting research**

The University of Fort Hare together with the National Council of Research, with their main aim of providing qualitative research, request if you could grant one of our master student, Sharon Terera (200909690) in the Department of Industrial Psychology of Fort Hare permission and assistance to conduct research in your company as part of the fulfilment and completion of her Masters' degree.

The research will be on: "the impact of human resource practices on employee commitment and retention among nurses in Amathole district, South Africa.

A proposal attached will be discussed with the relative people. It will be highly appreciated if upon granting permission you could provide us with the contact person and contact details (telephone number, cell- phone number, e-mail), should the student need some information pertaining this study.

Your assistance on the above mentioned matter will be highly appreciated. If you need any information on the student, feel free to contact me at numbers and e-mail address as on letterhead.

Yours sincerely.

Mr. C.Murugan (Supervisor)

Department of Industrial Psychology

## **APPENDIX B: RESEARCH QUESTIONNAIRE**

### **DEPARTMENT OF INDUSTRIAL PSYCHOLOGY**



**University of Fort Hare**  
*Together in Excellence*

### **RESEARCH QUESTIONNAIRE**

My name is Terera Sharon Ruvimbo. I am a student in the Department of Industrial Psychology, Faculty of Management and Commerce, at the University of Fort Hare. I am conducting a research on the impact of human resources practices on organizational commitment and employee retention among nurses in South Africa. The research is done to fulfill the Master's degree requirements in Industrial Psychology. The research is strictly for academic purposes only. The information obtained will be kept confidential and anonymity is assured. You are cordially requested to complete the questions that follow.

## **Section A (Demographic and Occupational information)**

Please mark with an (X) where appropriate

### 1. Gender

Male	Female
------	--------

### 2. Age

21-30 years	31-40 years	41-50 years	51-60years	61years and above
-------------	-------------	-------------	------------	-------------------

### 3. Period of employment in your present job

Less than 1 year	1-5 years	6-10 years	Above 10 years
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### 4. Occupational level

Professional nurse	Staff nurse	Nursing assistant	Enrolled nurse	Other(Specify)
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### 5. Highest Professional Qualification

Certificate	Diploma	Degree	Postgraduate degree	Other(Specify)
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### 6. Marital Status

Single	Married	Divorced	Widowed	Other(Specify)
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## **Section B: Human Resources Practices**

### **Instructions**

Below are a number of statements that may or may not apply to you. Mark with an X in the box to indicate the extent to which you agree or disagree with each statement.

<b>Compensation and Reward Practices</b>					
<b>Key:</b>					
<b>1. Strongly Disagree</b>					
<b>2. Disagree</b>					
<b>3. Uncertain</b>					
<b>4. Agree</b>					
<b>5. Strongly Agree</b>					
	<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neither agree nor disagree</b>	<b>Agree</b>	<b>Strongly agree</b>
7. Presence of an attractive compensation system.	1	2	3	4	5
8. Presence of an equitable internal salary	1	2	3	4	5
9. Presence of an equitable external salary	1	2	3	4	5
10. Presence of a salary that reflects better performance.	1	2	3	4	5
11. Presence of a salary that reflects better standards of living	1	2	3	4	5
12. Presence of a salary that encourages better performance	1	2	3	4	5
<b>Performance Management Practice</b>					
13. Presence of written and operational performance evaluation	1	2	3	4	5
14. Performance evaluation has a lot to do with my salary	1	2	3	4	5
15. Performance evaluation has a lot to do with my personal decisions	1	2	3	4	5
16. Provision of feedback of performance evaluation results	1	2	3	4	5
17. Performance evaluation is considered important task by superiors	1	2	3	4	5
18. Performance evaluation is knowledgeable	1	2	3	4	5
<b>Training and Development Practices</b>					
19. I have training opportunities to learn and grow	1	2	3	4	5
20. I get the training I need to do my job well	1	2	3	4	5
21. I get the training I need to do my job well	1	2	3	4	5
<b>Managerial Leadership style Practices</b>					
22. Management communicates a clear vision and mission	1	2	3	4	5
23. Management is taking steps to ensure organisational long-term success	1	2	3	4	5
24. I do not think that wanting to be a company man or company woman is sensible anymore	1	2	3	4	5

25. Management supports new ideas and ways of doing things	1	2	3	4	5
26. Management promotes lifelong learning	1	2	3	4	5
27. Management is respectful, trustworthy and instils pride	1	2	3	4	5
28. Management recognises performance and accomplishments through rewards of a salary that reflects better performance.	1	2	3	4	5
29. Relationships between management and staff side are healthy and productive	1	2	3	4	5
30. Managers place importance on the views of staff side representatives and take them into account when making decisions	1	2	3	4	5
<b>Employee Engagement Practices</b>					
31. I believe what I do as a health worker is very important	1	2	3	4	5
32. I understand how my job contributes to the overall success of the department	1	2	3	4	5
33. I am emotionally committed to my organisation	1	2	3	4	5
34. I am very loyal to my organisation	1	2	3	4	5
35. When I face problems at work, I am able to solve them on my own with the help of others	1	2	3	4	5
36. I am aware of my job role expectations	1	2	3	4	5
37. I am willing to put in extra effort beyond what is normally expected	1	2	3	4	5
38. I can make meaningful decisions about how I do my job	1	2	3	4	5

### **Section C: Organizational Commitment**

This section enables you to express your perceptions about your relationship with the organisation and your reasons for staying. Carefully read each statement and indicate the extent to which you agree or disagree with each statement. Tick with an (X) in the appropriate box.

<b>Affective Commitment Scale</b>  <b>Key:</b> <b>1. Strongly Disagree</b> <b>2. Disagree</b>  <b>3. Uncertain</b> <b>4. Agree</b>  <b>5. Strongly Agree</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Uncertain</b>	<b>Agree</b>	<b>Strongly Agree</b>	
	39. I would be very happy to spend the rest of my life with this organization.	1	2	3	4	5
	40. I really feel as if this organization's problems are my own.	1	2	3	4	5
	41. I do not feel a strong sense of belonging to my organization.	1	2	3	4	5

42. I would turn down another job with more pay in order to stay with this organization.	1	2	3	4	5
43. The organization had a great deal of personal meaning for me.	1	2	3	4	5
<b>Continuance commitment scale</b>					
44. I am not afraid of what might happen if I quit my job without having another one lined up.	1	2	3	4	5
45. It would be very hard for me to leave my organization now even if I wanted to.	1	2	3	4	5
46. Too much in my life would be disrupted if I decided I want to leave my organization now.	1	2	3	4	5
47. I feel very loyalty to this company.	1	2	3	4	5
<b>Normative Commitment Scale</b>					
48. I think that people these days move from company to company too often.	1	2	3	4	5
49. If I got another offer for a job elsewhere, I would not feel it was right to leave my organization.	1	2	3	4	5
50. I do not think that wanting to be a company man or company woman is sensible anymore.	1	2	3	4	5

#### Section D: Employee Retention

##### Key/Scale

1=strongly disagree, 2=Disagree, 3=Uncertain, 4=Agree and 5=strongly Agree

51. It is likely that I will actively look for a new job in the next year.	1	2	3	4	5
52. I often think about quitting my job.	1	2	3	4	5
53. If I could ,I would get another job with another company	1	2	3	4	5

**Thank you for your cooperation**



## APPENDIX C: STATISTICAL ANALYSIS

### Frequencies

#### Statistics

		GENDER	AGE	E.PREIOD	OC.LEVEL	QUALIFIC
N	Valid	150	150	150	150	150
	Missing	12992	12992	12992	12992	12992
Mean		1.69	2.58	2.96	2.22	2.06
Std. Deviation		.465	1.064	1.086	1.231	.899

### Frequency Table

**GENDER**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	47	.4	31.3	31.3
	Female	103	.8	68.7	100.0
	Total	150	1.1	100.0	
Missing	System	12992	98.9		
Total		13142	100.0		

**AGE**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21-30 Years	26	.2	17.3	17.3
	31-40 Years	49	.4	32.7	50.0
	41-50 Years	39	.3	26.0	76.0
	61 Years and above	34	.3	22.7	98.7
	5	2	.0	1.3	100.0
	Total	150	1.1	100.0	
Missing	System	12992	98.9		
Total		13142	100.0		

**E.PREIOD**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<1 Year	20	.2	13.3	13.3
	1-5 Years	28	.2	18.7	32.0
	6-10 years	43	.3	28.7	60.7
	> 10 Years	56	.4	37.3	98.0
	5	3	.0	2.0	100.0
	Total	150	1.1	100.0	
Missing	System	12992	98.9		
Total		13142	100.0		

**OC.LEVEL**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Professional nurse	56	.4	37.3	37.3
	Staff nurse	40	.3	26.7	64.0
	Enrolled nurse	28	.2	18.7	82.7
	Nursing assistant	17	.1	11.3	94.0
	Other	9	.1	6.0	100.0
	Total	150	1.1	100.0	
Missing	System	12992	98.9		
Total		13142	100.0		

**QUALIFIC**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Certificate	42	.3	28.0	28.0
	Diploma	71	.5	47.3	75.3
	Degree	23	.2	15.3	90.7
	Post Graduate	14	.1	9.3	100.0
	Total	150	1.1	100.0	
Missing	System	12992	98.9		
Total		13142	100.0		

**Correlations**

**Descriptive Statistics**

	Mean	Std. Deviation	N
AVERAGE REWARDS	3.18333333333333 3333	1.02880765459 6621	150
AVERAGE PERFORMANCE	3.57111111111111 1111	.705086099815 561	150
AVERAGE TRAINING	4.06444444444444 4446	.858954384615 164	150
AVERAGE LEADERSHIP	3.53629629629 6296	.785858382540 608	150
AVERAGE ENGAGEMENT	4.20083	.645859	150
AVERAGE AFFECTIVE	3.364	.7977	150
AVERAGE CONTINUANCE	3.4317	.80053	150
AVERAGE NORMATIVE	3.30666666666666 6667	.805017820470 558	150
OVERAL COMMITMENT	3.37222222222222 2221	.647707673204 444	150

AVERAGE RETENTION	2.904444444444 4445	1.11349706539 3895	150
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**Correlations**

		AVERAGE REWARDS	AVERAGE PERFORMANC E	AVERAGE TRAINING
AVERAGE REWARDS	Pearson Correlation	1	.548**	.479**
	Sig. (2-tailed)		.000	.000
	N	150	150	150
AVERAGE PERFORMANCE	Pearson Correlation	.548**	1	.726**
	Sig. (2-tailed)	.000		.000
	N	150	150	150
AVERAGE TRAINING	Pearson Correlation	.479**	.726**	1
	Sig. (2-tailed)	.000	.000	
	N	150	150	150
AVERAGE LEADERSHIP	Pearson Correlation	.615**	.714**	.651**
	Sig. (2-tailed)	.000	.000	.000
	N	150	150	150
AVERAGE ENGAGEMENT	Pearson Correlation	.097	.431**	.295**
	Sig. (2-tailed)	.236	.000	.000
	N	150	150	150
AVERAGE AFFECTIVE	Pearson Correlation	.355**	.301**	.313**
	Sig. (2-tailed)	.000	.000	.000
	N	150	150	150
AVERAGE CONTINUANCE	Pearson Correlation	.164*	.178*	.206*

	Sig. (2-tailed)	.044	.030	.012
	N	150	150	150
AVERAGE NORMATIVE	Pearson Correlation	.210**	.217**	.381**
	Sig. (2-tailed)	.010	.008	.000
	N	150	150	150
OVERAL COMMITMENT	Pearson Correlation	.315**	.295**	.364**
	Sig. (2-tailed)	.000	.000	.000
	N	150	150	150
AVERAGE RETENTION	Pearson Correlation	.270**	.175*	.129
	Sig. (2-tailed)	.001	.032	.116
	N	150	150	150

### Correlations

		AVERAGE LEADERSHIP	AVERAGE ENGAGEMENT	AVERAGE AFFECTIVE
AVERAGE REWARDS	Pearson Correlation	.615**	.097	.355**
	Sig. (2-tailed)	.000	.236	.000
	N	150	150	150
AVERAGE PERFORMANCE	Pearson Correlation	.714**	.431**	.301**
	Sig. (2-tailed)	.000	.000	.000
	N	150	150	150
AVERAGE TRAINING	Pearson Correlation	.651**	.295**	.313**
	Sig. (2-tailed)	.000	.000	.000
	N	150	150	150
AVERAGE LEADERSHIP	Pearson Correlation	1	.328**	.346**
	Sig. (2-tailed)		.000	.000

	N	150	150	150
AVERAGE ENGAGEMENT	Pearson Correlation	.328**	1	.107
	Sig. (2-tailed)	.000		.193
	N	150	150	150
AVERAGE AFFECTIVE	Pearson Correlation	.346**	.107	1
	Sig. (2-tailed)	.000	.193	
	N	150	150	150
AVERAGE CONTINUANCE	Pearson Correlation	.126	.334**	.408**
	Sig. (2-tailed)	.126	.000	.000
	N	150	150	150
AVERAGE NORMATIVE	Pearson Correlation	.220**	.056	.622**

	Sig. (2-tailed)	.007	.495	.000
	N	150	150	150
OVERAL COMMITMENT	Pearson Correlation	.298**	.210**	.874**
	Sig. (2-tailed)	.000	.010	.000
	N	150	150	150
AVERAGE RETENTION	Pearson Correlation	.157	-.055	.044
	Sig. (2-tailed)	.056	.502	.593
	N	150	150	150

**Correlations**

		AVERAGE CONTINUANCE	AVERAGE NORMATIVE	OVERAL COMMITMENT
AVERAGE REWARDS	Pearson Correlation	.164 <sup>*</sup>	.210 <sup>**</sup>	.715 <sup>**</sup>
	Sig. (2-tailed)	.044	.010	.000
	N	150	150	150
AVERAGE PERFORMANCE	Pearson Correlation	.178 <sup>*</sup>	.217 <sup>**</sup>	.295 <sup>**</sup>
	Sig. (2-tailed)	.030	.008	.000
	N	150	150	150
AVERAGE TRAINING	Pearson Correlation	.206 <sup>*</sup>	.381 <sup>**</sup>	.722 <sup>**</sup>
	Sig. (2-tailed)	.012	.000	.000
	N	150	150	150
AVERAGE LEADERSHIP	Pearson Correlation	.126	.220 <sup>**</sup>	.298 <sup>**</sup>
	Sig. (2-tailed)	.126	.007	.000
	N	150	150	150
AVERAGE ENGAGEMENT	Pearson Correlation	.334 <sup>**</sup>	.056	.210 <sup>**</sup>
	Sig. (2-tailed)	.000	.495	.010
	N	150	150	150
AVERAGE AFFECTIVE	Pearson Correlation	.408 <sup>**</sup>	.622 <sup>**</sup>	.874 <sup>**</sup>
	Sig. (2-tailed)	.000	.000	.000
	N	150	150	150
AVERAGE CONTINUANCE	Pearson Correlation	1	.389 <sup>**</sup>	.742 <sup>**</sup>
	Sig. (2-tailed)		.000	.000
	N	150	150	150
AVERAGE NORMATIVE	Pearson Correlation	.389 <sup>**</sup>	1	.790 <sup>**</sup>
	Sig. (2-tailed)	.000		.000
	N	150	150	150



OVERAL COMMITMENT	Pearson Correlation	.742**	.790**	1
	Sig. (2-tailed)	.000	.000	
	N	150	150	150
AVERAGE RETENTION	Pearson Correlation	.064	.158	.098
	Sig. (2-tailed)	.435	.054	.233
	N	150	150	150

### Correlations

		AVERAGE RETENTION
AVERAGE REWARDS	Pearson Correlation	.892**
	Sig. (2-tailed)	.001
	N	150
AVERAGE PERFORMANCE	Pearson Correlation	.175*
	Sig. (2-tailed)	.032
	N	150
AVERAGE TRAINING	Pearson Correlation	.629**
	Sig. (2-tailed)	.116
	N	150
AVERAGE LEADERSHIP	Pearson Correlation	.157
	Sig. (2-tailed)	.056
	N	150
AVERAGE ENGAGEMENT	Pearson Correlation	-.055
	Sig. (2-tailed)	.502
	N	150

AVERAGE AFFECTIVE	Pearson Correlation	.044
	Sig. (2-tailed)	.593
	N	150
AVERAGE CONTINUANCE	Pearson Correlation	.064
	Sig. (2-tailed)	.435
	N	150
AVERAGE NORMATIVE	Pearson Correlation	.158
	Sig. (2-tailed)	.054
	N	150
OVERAL COMMITMENT	Pearson Correlation	.098
	Sig. (2-tailed)	.233
	N	150
AVERAGE RETENTION	Pearson Correlation	1
	Sig. (2-tailed)	
	N	150

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

# T-Test

## One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
GENDER	150	1.69	.465	.038
OVERAL COMMITMENT	150	3.3722222222222221	.647707673204444	.052885110061208

## One-Sample Test

	Test Value = 0				
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference
GENDER	44.386	149	.000	1.687	1.61
OVERAL COMMITMENT	63.765	149	.000	3.3722222222222221 2221	3.26772054783 7755
					Lower

## One-Sample Test

	Test Value = 0
	95% Confidence Interval of the Difference

	Upper
GENDER	1.76
OVERAL COMMITMENT	3.476723896606686

## T-Test

### One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
GENDER	150	1.69	.465	.038
AVERAGE RETENTION	150	2.9044444444444444445	1.113497065394445	.090916654676717

### One-Sample Test

	Test Value = 0				
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference
					Lower
GENDER	44.386	149	.000	1.687	1.61
AVERAGE RETENTION	31.946	149	.000	2.9044444444444444445 4445	2.72479193673 1878

### One-Sample Test

	Test Value = 0
	95% Confidence Interval of the Difference
	Upper
GENDER	1.76
AVERAGE RETENTION	3.084096952157012

### Reliability of the questionnaire

Scale: ALL VARIABLES

#### Reliability Statistics

Cronbach's Alpha	N of Items
.921	47

## Regression COMMITMENT

Variables Entered/Removed<sup>a</sup>

Model	Variables Entered	Variables Removed	Method
1	AVERAGE TRAINING, AVERAGE ENGAGEMENT, AVERAGE REWARDS, AVERAGE LEADERSHIP, AVERAGE PERFORMANC E <sup>b</sup>		Enter

a. Dependent Variable: OVERAL COMMITMENT

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.818 <sup>a</sup>	.675	.626	.598587065138 970

a. Predictors: (Constant), AVERAGE TRAINING, AVERAGE ENGAGEMENT, AVERAGE REWARDS, AVERAGE LEADERSHIP, AVERAGE PERFORMANCE

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	92.913	9	8.183	12.092	.000 <sup>b</sup>
	Residual	51.596	80	.758		
	Total	144.509	89			

a. Dependent Variable: OVERAL COMMITMENT

b. Predictors: (Constant), AVERAGE TRAINING, AVERAGE ENGAGEMENT, AVERAGE REWARDS, AVERAGE LEADERSHIP, AVERAGE PERFORMANCE

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t
		B	Std. Error	Beta	
1	(Constant)	1.762	.359		4.907
	AVERAGE REWARDS	.136	.163	.316	2.159
	AVERAGE PERFORMANCE	.283	.121	.270	1.680
	AVERAGE LEADERSHIP	.104	.100	.100	.338
	AVERAGE ENGAGEMENT	.145	.186	.120	.383
	AVERAGE TRAINING	.315	.186	.286	2.191

**Coefficients<sup>a</sup>**

Model		Sig.
1	(Constant)	.000
	AVERAGE REWARDS	.033
	AVERAGE PERFORMANCE	.001
	AVERAGE LEADERSHIP	.000
	AVERAGE ENGAGEMENT	.012
	AVERAGE TRAINING	.014

a. Dependent Variable: OVERAL COMMITMENT

## Regression RETENTION

### Variables Entered/Removed<sup>a</sup>

Model	Variables Entered	Variables Removed	Method
1	AVERAGE TRAINING, AVERAGE ENGAGEMENT, AVERAGE REWARDS, AVERAGE LEADERSHIP, AVERAGE PERFORMANC E <sup>b</sup>		Enter

a. Dependent Variable: AVERAGE RETENTION

b. All requested variables entered.



**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.843 <sup>a</sup>	.711	.706	1.08227681255 2313

a. Predictors: (Constant), AVERAGE TRAINING, AVERAGE ENGAGEMENT, AVERAGE REWARDS, AVERAGE LEADERSHIP, AVERAGE PERFORMANCE

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.071	5	3.214	2.744	.021 <sup>b</sup>
	Residual	168.671	144	1.171		
	Total	184.741	149			

a. Dependent Variable: AVERAGE RETENTION

b. Predictors: (Constant), AVERAGE TRAINING, AVERAGE ENGAGEMENT, AVERAGE REWARDS, AVERAGE LEADERSHIP, AVERAGE PERFORMANCE

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t
		B	Std. Error	Beta	
1	(Constant)	2.477	.649		3.816

AVERAGE REWARDS	.258	.114	.239	2.264
AVERAGE PERFORMANCE	.225	.219	.142	1.024
AVERAGE LEADERSHIP	-.044	.181	-.031	-.240
AVERAGE ENGAGEMENT	-.207	.156	-.120	-1.326
AVERAGE TRAINING	1.430	.156	.980	2.753

**Coefficients<sup>a</sup>**

Model		Sig.
1	(Constant)	.000
	AVERAGE REWARDS	.025
	AVERAGE PERFORMANCE	.308
	AVERAGE LEADERSHIP	.810
	AVERAGE ENGAGEMENT	.187
	AVERAGE TRAINING	.003

a. Dependent Variable: AVERAGE RETENTION