

# **STAFF RETENTION IN AN INFORMATION MANAGEMENT ENVIRONMENT**

**Wanda Odendaal**

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**Supervisor: Dr Y van Zyl**

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## **ABSTRACT**

Organisations are starting to think and operate more strategically and are beginning to realise that their survival depends on information. Information management relates to management activities concerning information. Information and the supporting systems are important business assets for establishing and leveraging information-based resources and competence, which allow organisations to compete and survive in the current competitive economic markets. In order for the information management department to support business optimally, they need to retain existing talented people who have the essential knowledge, expertise and competencies to do the work. Adding to this is the need to make the job environment more attractive to current and future job applicants. In order to do this, the management team of the information management department need to understand why people behave as they do. They must have the ability to control, direct and change behaviour, as well as be able to use the right motivation to make the job environment within the information management department more attractive. The purpose of this study is to examine staff retention in an information management environment. The literature study explores the theoretical framework of staff retention, motivation and job satisfaction. A quantitative research approach was followed and a questionnaire was used to elicit data from 50 employees working in an information management department of a petrochemical organisation. The questionnaire was used to measure employee job satisfaction levels and to identify job satisfaction factors. The findings reveal that communication, good working conditions, job security, opportunities for learning and growth, and recognition are seen in this order as being the most important job satisfaction factors. It is clear that employee expectations for job satisfaction are not met in the areas of recognition and good supervision/leadership. In addition, it is noted that employee expectations for job satisfaction are only partially met in the areas of communication, opportunities for learning and growth, promotional opportunities and compensation/pay. The value of this research is that it makes a useful contribution to the current knowledge of the management team in the information management department. The research information collected through this study can be used to establish the optimal mix of motivating factors in order to ensure that current employees are retained and that a sought-after working environment for new appointments is created.

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## **CHAPTER 1: INTRODUCTION**

### **1.1 INTRODUCTION**

In the first part of this chapter the background of the study, together with the problem statement are discussed. The focus of the second part of the chapter is the objectives of the study, as well as the research methodology applied in the study. This chapter concludes with the classification of the chapters and a summary of Chapter 1.

### **1.2 BACKGROUND TO THE STUDY**

In today's business world, retention of valuable employees is one of the most critical issues confronting leaders (Mayfield & Mayfield, 2008:41). Talented employees who have competencies that are critical for the survival of an organisation are difficult to retain because they often attach more importance to their own career path than to organisational loyalty, which, in turn, can result in voluntary turnover (De Vos & Meganck, 2009:45-46). According to Van Dam (2008:560), careers have become increasingly boundary-less and self-managed owing to an environment that no longer readily offers long-term employment. Turnover comes about when there is a permanent withdrawal of an employee from the employing organisation (George & Jones, 2005:90). Employers and employees experience turnover as a costly process because for the employer there is high replacement and organisational cost, whilst the employees experiences monetary and psychological costs (Huang, Lin & Chuang, 2006:492). The implications of high turnover are the increased recruiting, selecting and training costs, together with the disruption of the efficient running of the organisation when knowledgeable and efficient employees leave the organisation (Robbins, Odendaal & Roodt, 2004:16). Research by Mayfield and Mayfield (2008:41) has shown that when considering the price of reassigned work load, lost organisational memory, and successor recruitment and training, the average turnover cost can range beyond 1,5 times an employee's annual salary. Adding to the cost, Gostick and Elton (2007:13) state that the remaining workforce is decimated by turnover because many employees mentally follow their departing colleagues. Taylor, Murphy and Price (2006:646) describe the loss of employees as a disruptive event and point out that

additional human resource expenses can be significantly reduced by improving employee retention. However, George and Jones (2005:91) argue that organisations can also benefit from turnover in certain situations, such as when poor performers leave and good performers stay or when new recruits result in the introduction of new ideas and approaches. According to Mobley's model of the turnover process (George & Jones, 2005:90), the whole turnover process is triggered by a lack of job satisfaction; therefore, employees who are satisfied with their jobs may never even think about quitting, while those who are dissatisfied will, as a result of this dissatisfaction, start to think about quitting.

Research has shown that the issue of job satisfaction has been considered as a key precursor of voluntary turnover (Park & Kim, 2009:20). Job satisfaction is defined by Nelson and Quick (2006:120) as a pleasurable or positive emotional state that is the result of the appraisal of one's job or job experience. It is argued by O'Malley (2000:157) that employees who enjoy their jobs work harder and stay longer with their employers than those who do not. In contrast, if the job satisfaction level is low, employees will develop a behavioural intention to quit (Luna-Arocas & Camps, 2008:32). Important aspects of arguments regarding job satisfaction are firstly, that satisfied workers are likely to want to reciprocate their positive experiences by giving something back to the organisation (Nelson & Quick, 2006:123) and secondly, that job satisfaction has the potential to affect a wide range of behaviours in organisations and to contribute to employees' levels of well-being (George & Jones, 2005:80). Glen (2006:37) points out that factors, such as key skills retention, employee engagement, and, to a lesser extent, employee motivation and attendance, have a direct impact on organisational costs, productivity and business performance.

People who are motivated exert greater effort to perform than those who are not motivated (Fox, 2006:59). Motivation is defined by Robbins *et al.* (2004:131) "...as the processes that account for an individual's intensity, direction, and persistence of effort towards attaining a goal". According to Clark (2009:43), people are motivated for their own

reasons. George and Jones (2005:175) argue that the strength of people's motives, which are directed towards goals (often called incentives), influences the motivation of people. People join organisations in order to meet certain needs, and for as long as the needs are satisfied in relation to the effort applied, they will remain effective members of an organisation (Amos, Ristow & Ristow, 2004:150). Therefore, it could be argued that at work people can often be successfully motivated by providing them with an environment in which appropriate goals are available for the satisfaction of their needs (Fox, 2006:59). Even so, consideration must be given to the fact that employees have different needs and it is therefore necessary to spend time with employees to understand these needs (Robbins *et al.*, 2004:165).

### **1.3 PROBLEM STATEMENT**

Chew and Chan (2008:503) state that managers face two significant ongoing organisational issues, namely eliciting the commitment of employees and staff retention. If employees are committed to an organisation, they are less likely to leave or be absent and may also display other behaviours which are valuable to the organisation (Maurer & Lippstreu, 2008:329). Kaye and Jordan-Evans (2005:15) indicate that managers must stop guessing what it is that keeps their stars home and happy – managers must not assume all employees want the same thing, such as pay or promotion. In today's highly competitive environment, it is vital to maximise team engagement, motivation, attendance and retention (Glen, 2006:37).

A key issue debated by Kaye and Jordan-Evans (2005:18) is that people are an organisation's most critical asset because outstanding people give an organisation a competitive advantage. One of the biggest challenges is that a reservoir of talent needs to be established by an organisation. The organisation's ability to attract and retain the best people will determine the depth, breadth and quality of this reservoir of talent (O'Malley, 2000:6).

It is clear that a crucial factor in the survival and success of any organisation is the retention of those talented people who have the essential knowledge, expertise and competencies. In order to manage retention, managers need to understand why people behave as they do. According to Fox (2006:9), this includes not only the ability to understand and predict behaviour but also the ability to control, direct and change behaviour. It is therefore necessary to understand what encourages people to put in the required effort to complete their tasks effectively. Furthermore, in order to retain these people as a knowledge source, it is imperative to know what factors motivate the people in an organisation. According to Athey (2008:7), organisations will harvest benefits if they inspire people's discretionary efforts by tapping into their hearts, as well as their heads and hands.

This study focuses on an information management department in a petrochemical organisation. Information management relates to management activities concerning information which includes the creation, capture, deployment, use, sharing, development and evaluation of information. This comprises several activities such as information security, backup and recovery, data quality and sharing. More organisations are thinking and operating strategically and their very survival depends on information. In order to compete and survive in the current marketplace, most organisations recognise that information and the systems supporting that information are important business assets for establishing and leveraging information-based resources and competence.

In order for the information management department to support business optimally they need to:

- retain the existing talented people who have the essential knowledge, expertise and competencies
- make the job environment more attractive to current and future job applicants.

Consequently, this study revolves around the following specific research questions, pertinent to an information management department in a petrochemical organisation:

- What are the key factors which influence the motivation of employees?
- What are the factors that employees deem necessary for job satisfaction?
- What gaps can be identified to improve employee retention?

## **1.4 OBJECTIVES OF THE STUDY**

The following objectives have been formulated for the study:

### **1.4.1 Primary objective**

Based on the above problem statement, the primary objective of this study is to identify the relationship between motivation, job satisfaction and retention in an information management department of a petrochemical organisation.

### **1.4.2 Theoretical objectives**

The following theoretical objectives support the primary objective:

- Provide a literature overview on motivation.
- Conduct a literature study on job satisfaction.
- Carry out a literature review on retention.

### **1.4.3 Empirical objectives**

According to Behr (1988:5), the term empirical means that which is verifiable by observation.



The empirical objectives formulated for this study are as follows:

- Evaluate employee job satisfaction levels.
- Identify factors influencing employee job satisfaction.
- Evaluate employee expectations for job satisfaction.
- Propose a retention strategy.

## **1.5 RESEARCH METHODOLOGY**

The research design was prepared by using a literature overview and an empirical study. Owing to the nature of this research and the sample group used, the research structure of the study required a combination of a field and an experimental study. Experimental studies provide a casual study of a small number of cases, whereas field studies occur in natural settings (Mouton, 2001:155,157).

### **1.5.1 Literature study**

A literature study on motivation, motivation theories, job satisfaction and retention was conducted. For the purpose of the study, a wide range of research materials were utilised, including textbooks, journal articles, newspapers, magazines and the Internet.

### **1.5.2 Empirical study**

The following steps were followed in the sampling procedure:

### **1.5.3 Target population**

The target population involved individuals working in the information management department of a petrochemical organisation situated in the Vaal Triangle Fezile Dabi district. The population at the time of the study comprised 50 employees and managers.

#### **1.5.4 Sampling technique**

The sampling technique used was the non-probability convenience sampling technique. This technique allows for the selection of those elements or members of a target population that are the easiest to acquire for the sample group and is frequently used if the sample is aimed at representing the total population (Welman, Kruger & Mitchell, 2005:56).

#### **1.5.5 Sample size**

Gay and Airasian (2003) suggest that in a population of fewer than 100 people, the entire population should be sampled. Therefore, the sample size was set at  $n = 50$ . If all the cases in the population are used, it is called a census (De Vos, Strydom, Fouche & Delport, 2005:217)

#### **1.5.6 Method of data collection**

For the purpose of this study, a quantitative research approach was followed. Quantitative research relies on measurement to compare and analyse different variables (Bless, Higson-Smith & Kagee, 2006:43).

#### **1.5.7 Measuring instrument**

For the purpose of this study, data was collected using a survey in the form of questionnaires. The questionnaire, as survey method, was sent to all persons employed at the information management department. The questionnaire comprised three sections. The first section (Section A) requested personal and biographical information from the participants. Section B focused on job satisfaction, whilst Section C focused on job satisfaction factors. For both Sections B and C, measuring was in the form of Likert-type five-point scales. The questionnaire was pre-tested on a sample of eight employees in order to ascertain its validity and reliability.

### **1.5.8 Statistical analysis**

Data were analysed using descriptive statistics. Descriptive statistics are concerned with the description and/or summarisation of the data obtained for a group of individual units of analysis (Welman *et al.*, 2005:231). Tabulation was used to make comparisons in the demographics of the data and was used as a basis for presenting the data graphically. The Statistical Package for Social Sciences (SPSS), Version 16 for Windows was used in the analysis of the data.

## **1.6 CHAPTER CLASSIFICATION**

### **Chapter 1: Introduction and background to the study**

The introduction and background of the study were discussed, with reference to the problem statement, the research objective and the research methodology.

### **Chapter 2: Literature review**

Chapter 2 provides an outline of the literature review conducted on motivation, the relevant motivation theories, factors influencing job satisfaction and the retention of people as a knowledge resource.

### **Chapter 3: Research design and methodology**

The research design and methodology are outlined within this chapter, including sampling techniques, methods of data collection and data analysis.

### **Chapter 4: Results and findings**

In this chapter, the focus is on the analysis, interpretation and evaluation of the findings of the study.

## **Chapter 5: Conclusions and recommendations**

Chapter 5 presents a summary of the salient findings of the study, together with a discussion of the conclusions reached and suggestions for future research undertakings.

### **1.7 SUMMARY**

In today's competitive business world managers are exposed to a number of challenges. One of the most significant issues that managers are faced with is the retention of talented employees. It is clear that job satisfaction, motivation and the creation of an attractive working environment an important role plays in employee retention. It is therefore essential for managers to understand what influences a person's choice to stay in a position or to move on. In order to better understand the concept of employee retention, the following chapter will look at aspects such as motivation, job satisfaction and retention.

## **CHAPTER 2: LITERATURE REVIEW**

### **2.1 INTRODUCTION**

In this chapter, the literature relevant to employee retention is discussed. Employee turnover – the reverse side of employee retention – is discussed in general, followed by more in-depth discussions on motivation and job satisfaction, as the foundation for employee retention. In order to understand the influence of motivation and job satisfaction on employee retention, it is imperative to understand what motivation and job satisfaction are and how they can be managed.

### **2.2 EMPLOYEE RETENTION**

Employee retention is defined as the existence of an ongoing employment relationship (Huang *et al.*, 2006:492). The retention of employees has become a leading challenge faced by many organisations worldwide. Consequences such as the high cost of recruitment and selection, the possible loss of productivity during the adjustment period, the probable loss of business opportunities, poor customer rapport as well as the hidden cost of lost productivity have drawn organisations' attention to the magnitude of retention (Chew & Chan, 2008:503). Luna-Arocas and Camps (2008:27) believe that maintaining a stable workforce is one of the key sources of sustainable competitive advantage for organisations. In addition, these authors indicate that retaining employees is cheaper than recruiting replacements. Retention management refers to the collection of human resources (HR) practices developed to reduce voluntary turnover rates (De Vos & Meganck, 2009:46). With retention management, certain organisational incentives and HR strategies are implemented that are effective in reducing voluntary employee turnover. However, these incentives and strategies will only be successful if they are consistent with what employees value (De Vos & Meganck, 2009:46). Examples of incentives or strategies implemented to create more positive organisational climates for the purpose of retaining valuable employees include equitable remuneration that reflects performance, sufficiently challenging and interesting work, as well as opportunities for training and career development (Chew & Chan, 2008:504).

### **2.2.1 Elements of retention approaches**

Various elements can be considered when developing a retention approach. Some of the elements will be discussed in more depth as part of the motivation techniques in Section 2.4.2.

#### **2.2.1.1 Rewards/compensation**

Reward systems are used to reinforce desired performance. They indicate to individuals and to groups how they should direct their energies (Smit, Cronje, Brevis & Vbra, 2007:334). The existence of a formal reward policy allows organisations to encourage behaviour “that contributes towards its vision and towards the support of its organisational change programmes” (Fox, 2006:51). In order to be effective, rewards must always be aligned with what employees value (Hellriegel, Jackson, Slocum, Staude, Amos, Klopper, Louw & Oosthuizen, 2006:280). Attracting good applicants, retaining good employees, motivating employees and complying with the law are all objectives of compensation systems (Grobler, Warnich, Carrell, Elbert & Hatfield, 2006:351). Grobler *et al.* (2006:351) proclaim that these objectives can be obtained by conducting wage surveys to determine the current wage rate in the market, implementing job evaluation systems that employees see as reasonable, rewarding good performance, offering incentives, and documenting HR records and government legislation.

Reward or compensation systems consist of extrinsic and intrinsic rewards. Compensation, which is the pay an employee receives for a job (George & Jones, 2005:84), can be divided into monetary rewards and benefits (Grobler *et al.*, 2006:351). Taylor *et al.* (2006:651) state that while pay is negatively related to job satisfaction, most managers see it as a prime retention factor. However, Chew and Chan (2008:507) argue that although pay is acknowledged as a potential precursor of organisational commitment and the intention to stay, pay alone is not sufficient. They use the example that even though low pay might steer employees away, high pay will not automatically result in them staying. In Table 2.1, the total compensation system is outlined, including extrinsic and intrinsic rewards.

**Table 2.1: Total compensation system**

<b>Compensation of employees</b>	<b>Extrinsic rewards</b>	Monetary rewards	Hourly wage Salary Bonuses Commissions Pay incentives
		Benefits	Insurance Retirement Paid Holidays Food Services Medical Recreation
	<b>Intrinsic rewards</b>		Recognition Promotion opportunities Working conditions Interesting work

(Source: Grobler *et al.*, 2006:351)

#### **2.2.1.2 Recognition**

Compensation and recognition is not synonymous (Gostick & Elton, 2007:128) Recognition gives employees the extra push they need to do their jobs just a little better (Gostick & Elton, 2007:129) and is one of the most powerful motivational tools at managers disposal. Praise is a form of recognition and works for everyone. Praise may be in verbal or written form and can be as simple as sending an e-mail conveying recognition for a task well executed. Although non-monetary recognition involves little or no cost, it is seldom used as an incentive (Fox, 2006:51). Through their studies, Chew and Chan (2008:513) found that recognition positively predicts organisational commitment and the intention of an employee to stay. From this, it can be concluded that employees are more likely to express commitment to an organisation and remain with that organisation when their capabilities, efforts and performance are recognised (Chew & Chan, 2008:507).

### **2.2.1.3 Training and development**

Employees need to develop certain competencies in order to improve their performance (Werner, Bagraim, Cunningham, Potgieter & Viedge, 2007:115). If performance improves, it is an indication that there have been quantifiable changes in knowledge, skills, attitudes and social behaviour (Cascio, 1998:262). Training is defined by Hodgetts and Luthans (2000:462) as the use of a process that will change employee behaviour and attitudes in such a manner that it will increase the chances of the accomplishment of goals.

According to Maurer and Lippstreu (2008:328), organisations can offer support for development and learning by means of the following:

- providing learning and skills development resources that can help improve skills
- assigning tasks or jobs that may help develop employees
- establishing work rules and reward policies
- providing freedom from time constraints to make it possible for employees to participate in career-related learning and development activities
- placing a high value on employee learning and development
- expressing an “employee learning orientation” to employees.

Formal classroom training, on-the-job training, coaching, mentorship programmes, temporary assignments, shadowing assignments, assignment to project teams for learning, self-managed training and business management programmes are all methods of training that can be used (Werner *et al.*, 2007:115). One of the direct benefits an employee may derive from training and development is an improvement in skills, which allows him/her to complete a job successfully. This increase of ability improves an employee’s potential to perform on a higher level. Furthermore, training increases employees’ self-efficacy, which makes them more confident and leads them to expect to be successful. Consequently, employees become more willing to undertake job tasks and exercise a high level of effort (Robbins *et al.*, 2004:370).



## **2.3 EMPLOYEE TURNOVER**

The inability to retain employees leads to employee turnover, which is disruptive and costly to any organisation. George and Jones (2005:90) define turnover as the permanent departure of an employee from the employing organisation. According to Lussier (2002:85), turnover describes the rate at which workers leave an organisation. Robbins *et al.* (2004:16) describe turnover as the permanent withdrawal of staff from an organisation, which may be either voluntary or involuntary.

In all organisations, turnover is expected and cannot be avoided. Resignations, discharges, retirement and death are all causes of turnover (Grobler *et al.*, 2006:125). Further causes that can lead to turnover include lowered levels of job satisfaction and organisational commitment (Van Dam, 2008:562), the nature of the work itself, job involvement (Taylor, Murphy & Price, 2006:646), remuneration and recognition, as well as the lack of opportunities for training and career development (Chew & Chan, 2008:507). For the organisation, these causes may be controllable or uncontrollable. Controllable turnover is voluntary (for example, the resignation of an employee), whereas uncontrollable turnover is involuntary (for example, the death or retirement of an employee) (Cascio, 1998:622).

### **2.3.1 Implications of turnover**

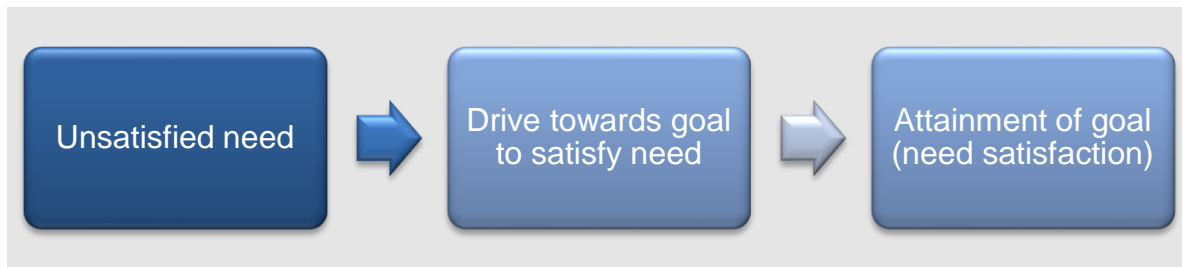
Turnover can be functional or dysfunctional. Functional turnover is when the departure of an employee is to the benefit of the organisation and dysfunctional turnover is when that departure hurts the organisation (Grobler *et al.*, 2006:125). Situations where organisations can benefit from employee turnover include when poor performers leave and good performers stay, and when new recruits lead to the introduction of new ideas and approaches (George & Jones, 2005:91). Therefore, if most of the people who left were poor performers, turnover could be considered a good thing. Unfortunately, this is not the case (Gostick & Elton, 2007:12). In terms of monetary costs, worker morale and competitive advantage, the implications of dysfunctional turnover for organisations are immense (Mayfield & Mayfield, 2008:41). The components of the monetary turnover cost

for the employer includes separation costs (separation pay, exit interview, administrative functions related to termination), replacement costs (communication of available job, interview, administrative functions, testing, medical examinations, *etc.*), and training costs for the new employee (Cascio, 1998:623-624).

According to Robbins *et al.* (2004:16), the cost of turnover in South Africa is estimated at several million rand per year. Adding to the monetary cost, the loss of organisational memory and the consequential employee behaviours that precede the act of leaving, such as absenteeism, reduced loyalty, lower job satisfaction and poorer productivity, must also be taken into consideration (Mayfield & Mayfield, 2008:41). If employee retention improves, additional human resource expenses are considerably reduced (Taylor, Murphy & Price, 2006:646). Mayfield and Mayfield (2008:41) suggest that dysfunctional turnover can be lowered by factors such as employee autonomy, task significance and effective feedback.

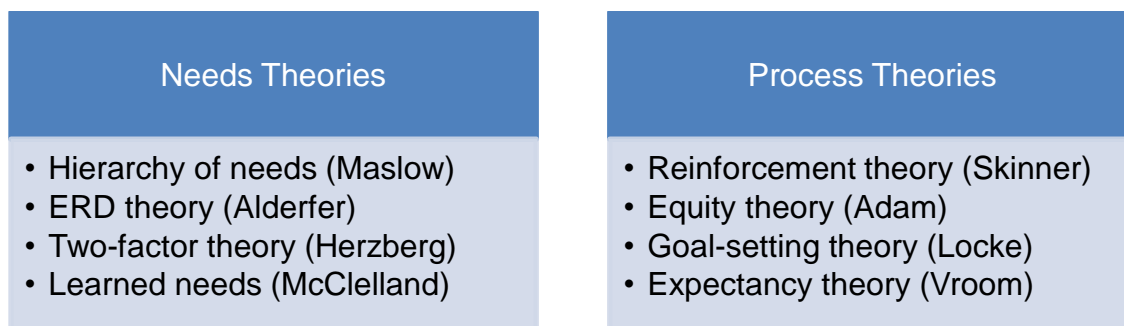
## **2.4 MOTIVATION**

Motivation is defined by Robbins *et al.* (2004:131) as the methods that relate to an individual's intensity, route and determination of effort towards the achievement of goals. Nelson and Quick (2006:150) define motivation as the process of producing and maintaining goal-directed behaviour. According to Hodgetts and Luthans (2000:372), motivation is "a psychological process through which unsatisfied wants or needs leads to drives that are aimed at goals or incentives". All underlying behaviours are caused by motives or needs. An individual possesses a variety of needs that compete against each other, where the need with the strongest strength at a given moment is the one that results in a specific activity (Fox, 2006:61). Figure 2.1 illustrates the basic motivation process.



**Figure 2.1: Basic motivation process** (Source: Hodgetts & Luthans, 2000:373)

Generally, sources of motivation are categorised into two groups: extrinsic motivators and intrinsic motivators. Behaviour that is performed for its own sake is intrinsically motivated and behaviour that is performed to acquire material or social rewards or to avoid punishment is extrinsically motivated (George & Jones, 2005:177). Examples of extrinsic motivators are salary, working conditions and job security, while opportunities to use one's own initiative and creativity are examples of intrinsic motivators. The vast diversity of people and the complexity of their behaviour have led to a broad range and variety of motivation theories. The purpose of these motivation theories is to attempt to explain and predict observable behaviour (Nelson & Quick, 2006:150). Motivation theories can be broadly divided in two groups: needs theories and process theories. Needs theories address the needs that are unique to each individual and focus on the factors within each person that initiate, guide, sustain and stop behaviour. The process of how behaviour is initiated, directed, sustained and stopped is explained by process theories (Amos, Ristow & Ristow, 2004:150). The classification of motivation theories is illustrated in Figure 2.2.



**Figure 2.2: Classification of motivation theories** (Source: Amos *et al.*, 2004:150)

### **2.4.1 Motivation theories**

Motivation theories allow us to understand our own behaviour as well as the behaviour of others (Werner *et al.*, 2007:94). For the purpose of this research, the focus will be on the following motivation theories:

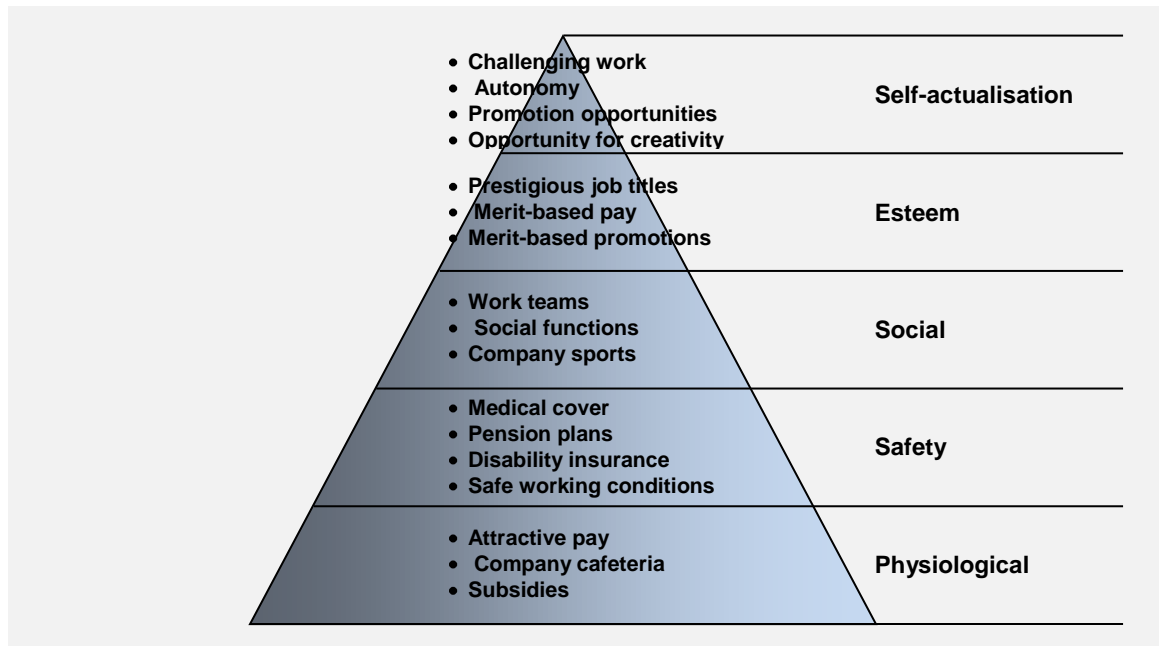
- Maslow's hierarchy of needs
- Herzberg's two-factor theory
- McClelland's achievements motive
- Locke's model of goal setting

#### **2.4.1.1 Maslow's hierarchy of needs**

Abraham Maslow's hierarchy of needs is possibly the most intuitively appealing of all the motivation theories. According to this theory, motivational tension is developed and directed towards the satisfaction of a need when this need occurs (Grobler *et al.*, 2006:217). Through his research, Maslow found that people would often suffer from psychological complaints in their later life if they grew up in an environment where their basic needs were not met. From this, he concluded that if employee needs are not met at work they will not be able to work as effectively as they possibly could (Werner *et al.*, 2007:73). Maslow's hierarchy of needs consists on the first level of physiological needs, which include aspects such as hunger, thirst, shelter and procreation. The second level comprises safety needs and entails security and protection from physical and emotional harm. Social needs, which include affection, belongingness, acceptance and friendship, form the third level. The fourth level is the esteem needs, which are divided into internal and external factors. Internal factors include self-respect, autonomy and achievement, while status, recognition and achievement form part of external factors. The final level is self-actualisation, which consists of achieving self-fulfilment or one's full potential (Fox, 2006:61).

According to Robbins *et al.* (2004:131), the first two levels of needs, physiological and safety needs, are described as lower-order needs and are primarily satisfied externally.

Social, esteem and self-actualisation needs are described as higher-order needs and are largely satisfied internally. Figure 2.3 illustrates the application of Maslow's hierarchy of needs.



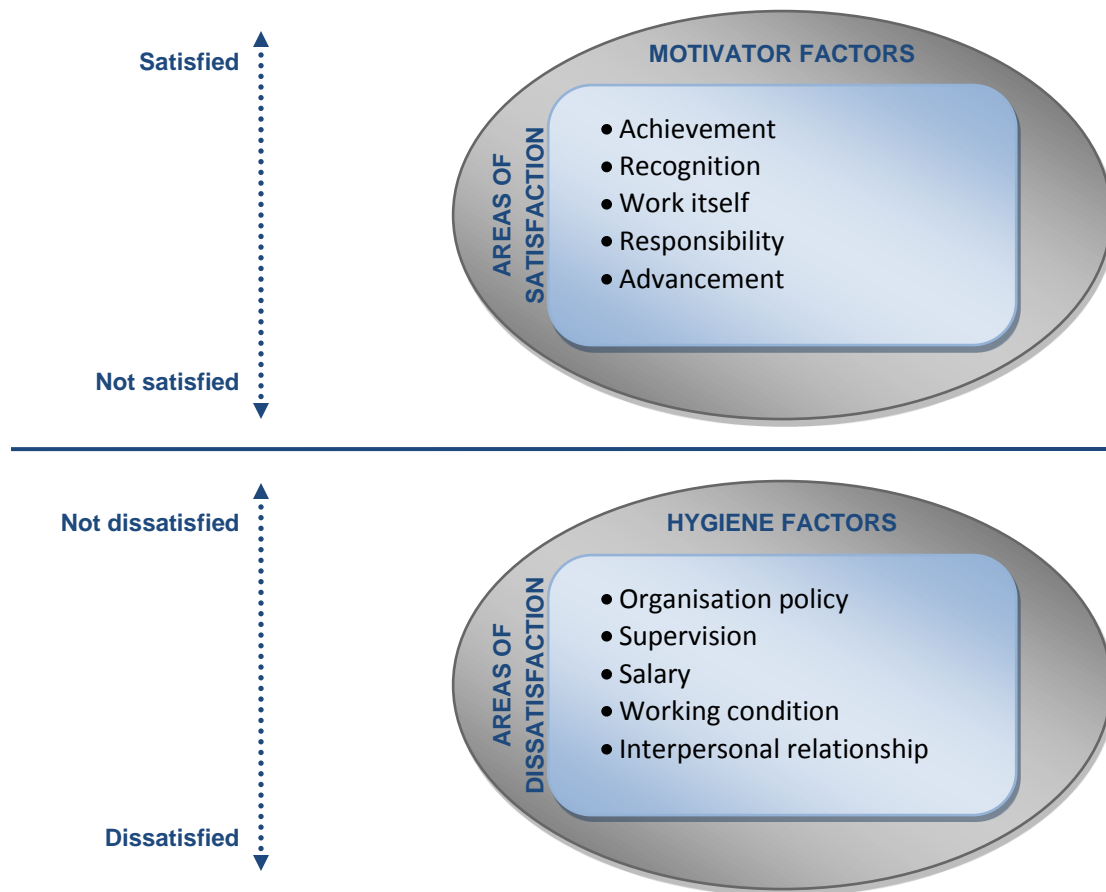
**Figure 2.3: Application of Maslow's hierarchy of needs** (Source: Werner *et al.*, 2007:75)

#### 2.4.1.2 Herzberg's two-factor motivation theory

Through his research, Herzberg sought to determine which factors made employees feel good about their jobs (Werner *et al.*, 2007:81). His research has shown that factors leading to job satisfaction are separate and distinct from those factors that lead to job dissatisfaction (Fox, 2006:63). Herzberg concluded that job satisfaction is influenced by two sets of factors, namely hygiene factors and motivators (Hodgetts & Luthans, 2000:377). When employees are feeling dissatisfied with their jobs, this stems from environmental factors – the hygiene factors. In contrast, motivators relate more to the content of the job and have a positive effect on job satisfaction and performance (Amos *et al.*, 2004:156).

Consideration should be given to the fact that removing dissatisfying factors from a job does not necessarily make the job satisfactory. According to Herzberg's findings, a dual continuum exists, which means that the opposite of "satisfaction" is "no satisfaction" and the opposite of "dissatisfaction" is "no dissatisfaction" (Fox, 2006: 63).

The model of Herzberg's two-factor theory is illustrated in Figure 2.4.



**Figure 2.4: Model of Herzberg's two-factor theory** (Source: Smit, Cronje, Brevis & Vrba, 2007:345)

In the application of Herzberg's theory, it is suggested that managers must make sure that dissatisfaction is not the result of policies and working conditions (Amos *et al.*, 2004:157). The theory also suggests that to motivate people one must highlight achievement, recognition, the work itself, responsibility, growth and advancement (Fox, 2006:63).

Herzberg's theory proposes the following recommendations to managers regarding employee motivation:

- eliminate dissatisfaction by ensuring that pay, working conditions, organisation policies and other job context factors are reasonable and suitable
- increase motivation by providing opportunities for growth, achievement and responsibility
- provide job enrichment as it is also a contributor to employee motivation (Smit *et al.*, 2007:345).

#### **2.4.1.3 McClelland's theory of needs**

David McClelland and his associates developed the McClelland's theory of needs. The theory focuses on three learned or acquired needs, which are called manifest needs (Nelson & Quick, 2006:155). The needs that McClelland's theory looks at are the needs for achievement, power and affiliation (Smit *et al.*, 2007:346). Robbins *et al.* (2004:134) define these needs as follows:

- Need for achievement – the drive to excel, to achieve in relation to a set of standards, to strive for success
- Need for power – the need to make others behave in a way that they would not have behaved otherwise
- Need for affiliation – the desire for friendly and close interpersonal relationships

Table 2.2 summarises the personal characteristics of these needs as well as the actions geared at motivating employees through these different needs.

**Table 2.2: McClelland's theory of needs and employee motivational actions**

High need for:	Personal characteristics	Motivating actions
<b>Achievement</b>	<ul style="list-style-type: none"> <li>• Personal responsibility for problem solving</li> <li>• Goal orientated</li> <li>• Seeks challenges</li> <li>• Excellence</li> <li>• Individuality</li> <li>• Takes calculated and moderated risks</li> <li>• Feedback on performance</li> <li>• Hard workers</li> </ul>	<ul style="list-style-type: none"> <li>• Non-routine challenging tasks</li> <li>• Clear attainable objectives</li> <li>• Fast and frequent feedback</li> <li>• Increased responsibility for doing new things</li> </ul>
<b>Power</b>	<ul style="list-style-type: none"> <li>• Controls situations</li> <li>• Influence and control others</li> <li>• Competitive</li> <li>• Do not like to lose</li> <li>• Willing to confront others</li> <li>• Seeks positions of authority and status</li> <li>• Low need for affiliation</li> </ul>	<ul style="list-style-type: none"> <li>• Plan and control own jobs</li> <li>• Include in decision making</li> <li>• Perform better alone</li> <li>• Assign whole tasks rather than part tasks</li> </ul>
<b>Affiliation</b>	<ul style="list-style-type: none"> <li>• Seeks close relationships</li> <li>• Needs to be liked by others</li> <li>• Enjoy social activities</li> <li>• Seeks to belong</li> <li>• Join groups and organisations</li> <li>• Enjoy developing, helping and teaching others</li> <li>• Have a low need for power</li> <li>• Like to be one of the group – not the leader</li> </ul>	<ul style="list-style-type: none"> <li>• Work as part of a team</li> <li>• Give lots of praise and recognition</li> <li>• Good at training and orienting new employees</li> <li>• Derive satisfaction from the people they work with</li> </ul>

(Source: Lussier, 2002:198)



#### **2.4.1.4 Locke's model of goal setting**

Edwin Locke proposed that intentions to work towards a goal are a major source of work motivation because goals tell employees what needs to be done and how much effort will need to be spent (Robbins *et al.*, 2004: 137). The motivation of goals lies in the fact that this motivation allows individuals to compare their current performance with the performance that is required to achieve a specific goal. An individual who believes that it is possible to attain a certain goal will work hard to attain that goal because not attaining the goal will lead to feelings of dissatisfaction (Werner *et al.*, 2007:83). According to Werner *et al.* (2007:84), goals will have a powerful effect on the motivation of employees if they are specific, challenging and acceptable.

Robbins *et al.* (2004:137) propose the following guidelines for writing effective goals:

- goals must be specific because there is a greater probability of achieving a specific target
- goals must be measurable in terms of cost, quality, quantity and time
- goals must be achievable as people with specific and challenging goals constantly do better than people with goals that are easy or unspecified
- goals must be result-orientated (prioritise); that is, they must be placed in order of importance given that the outlining of all activities into action plans will allow for the achievement of top-priority goals
- goals must have target dates, which must be accepted and agreed to by all involved.

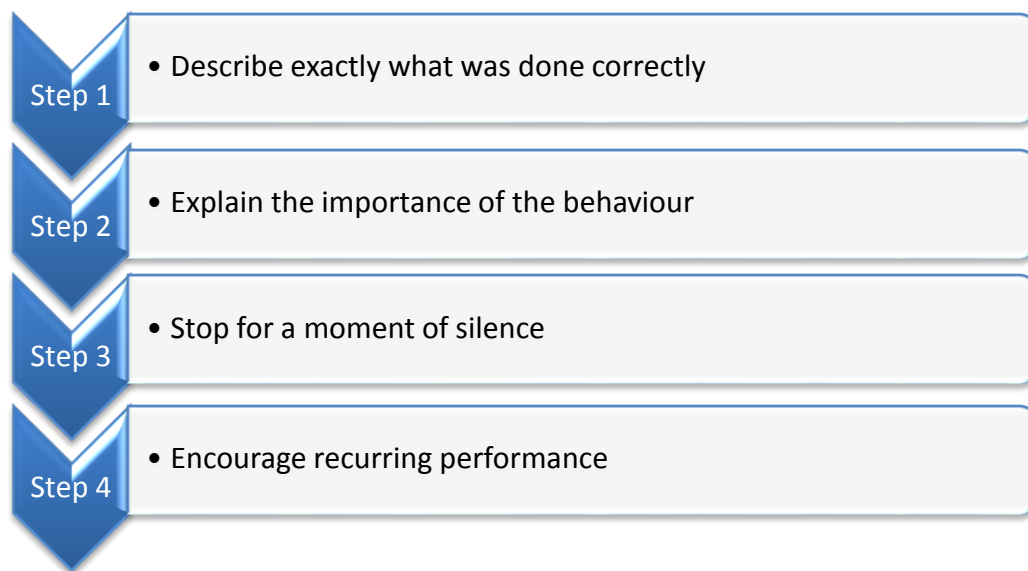
The goal-setting process can be used by managers to communicate performance issues effectively and to set specific, achievable and challenging goals that will motivate greater performance (Werner *et al.*, 2007:85).

## 2.4.2 Motivation techniques

There are several motivation techniques available to managers.

### 2.4.2.1 Praise

Lussier (2002:207) is of the opinion that giving praise is perhaps the most underused motivational technique of all. Ironically, this is one of the most powerful, least expensive and simplest techniques available. The steps to issuing praise are illustrated in Figure 2.5.



**Figure 2.5: Steps to giving praise model** (Source: Lussier, 2002:208)

Praise meets employees' needs for self-actualisation (esteem), growth and achievement and, therefore, is a motivator (Lussier, 2002:208). Praise provides a person with a feeling of achievement that will ultimately lead to job satisfaction.

### 2.4.2.2 Objectives and management by objectives

The basic principles of Locke's model of goal setting form the foundation of management by objectives (MBO) (Hellriegel *et al.*, 2006:277). MBO is described by Hodgetts *et al.* (2000:479) as an executive structure that allows for subordinate goals, coaching, counselling and the provision of feedback to be set up jointly by employees and management. The association of objectives and management by objectives to Locke's

model of goal setting can also be seen in Cascio's suggestion that in the determination of the objectives the following should be agreed upon by the key people involved (Cascio, 1998:314):

- the major objectives for a given period of time
- the plans for how and when the objectives will be accomplished
- the measurement for the determination of whether the objectives have been accomplished or not.

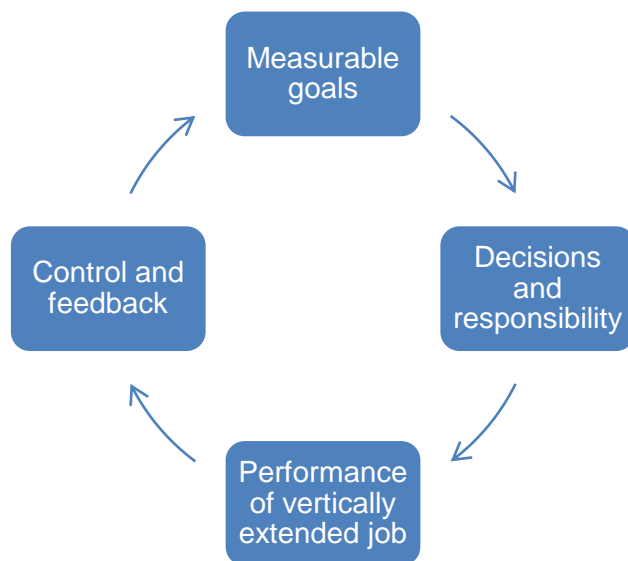
The effectiveness of MBO as a motivational tool lies in the fact that employees participate in the goal-setting (objective-setting) process. Employees' willingness to accept goals is increased by their participation in the process and this willingness is essential for the goals to be motivating (Hellriegel *et al.*, 2006:277). The success of MBO is in the chain reaction that an effective MBO system offers: if the employee succeeds, the manager succeeds; if the manager succeeds, the department succeeds; and if the department succeeds, the organisation succeeds. Implementing an effective MBO system takes approximately three to five years. The reason why MBO systems often fail is that not many companies are willing to make this time commitment (Cascio, 1998:314).

#### **2.4.2.3 Work (job) design**

Work design relates to the concept of intrinsic motivation and entails performance being improved through the thoughtful design and redesign of jobs. This approach is based on the principle that if the jobs people do are made more interesting and challenging, people will achieve higher levels of motivation, satisfaction and performance (Taylor, 1998:181). Lussier (2002:211) describes job design as the structure used by employees to change inputs into outputs and proclaims that more performance-related problems are caused by poorly designed jobs than what managers actually realise. Methods that can be used to create enough interest to motivate employees include job enrichment, job enlargement and job rotation. Job enlargement and job enrichment are associated with Herzberg's two-factor theory (Taylor, 1998:181). Job enlargement comes about when the task being performed is enlarged or when several small tasks are given to one worker, resulting in

the job cycle being increased and in short-cycle jobs, which often create boredom, being eliminated (Grobler *et al.*, 2006:141). Increasing the tasks but keeping the tasks at the same level of difficulty and responsibility is referred to as horizontal job loading (George *et al.*, 2005:206). This horizontal movement allows for an employee's base of knowledge and skills to be broadened, as well as for the development of new skills (De Vos, Dewettinck & Buyens, 2008:159). If expansion of the job scope reduces boredom, worker satisfaction should be increased (Grobler *et al.*, 2006:141).

Job enrichment is explained by Lussier (2002:210) as the practice of making a job more interesting and challenging by building these motivators into the job itself. Through the process of job enrichment, a job is redesigned in both scope and depth (Grobler *et al.*, 2006:141). The process of job enrichment is illustrated in Figure 2.6.



**Figure 2.6: Job enrichment** (Source: Smit *et al.* 2007:355)

The Hackman-Oldham theory (Hellriegel *et al.*, 2006:271-2) explains the relationship between how employees feel about their work (satisfaction) and how well they execute their work (performance). According to this theory, in order to create high levels of motivation at work, three critical psychological states are needed. The first state needed is experienced meaningfulness, which means that employees must experience their work as

valuable and worthwhile. Experienced responsibility is the second state required. According to this psychological state, employees must have the opportunity to feel personally responsible for quality and quantity. The last of the three required psychological states refers to knowledge of results, which requires that employees receive feedback on how well they are doing. These psychological states are affected by the following key job characteristics:

- skill variety (consists of the different work activities or several skills and talents that are required for a specific job)
- task identity (deals with the completion of an identifiable portion of work)
- task significance (occurs when a job has an extensive impact on the goals or the work of other employees in the organisation)
- autonomy (comes about if the job offers significant freedom, independence and discretion to the person in scheduling work and determining the actions to be used in carrying out the required tasks)
- feedback (which take place if direct and clear information about performance is provided to the employee).

The Hackman-Oldham theory (Hellriegel *et al.*, 2006:271-2) proclaims that involved employees exert more effort towards their jobs. The fact that the employee can see the process through from start to finish allows him/her to take responsibility for a significant segment of the overall product (Grobler *et al.*, 2006:141). More responsibility and control over a job or task provides employees with an opportunity for growth (George *et al.*, 2005:206). Kaye and Jordan-Evans (2005:43-44) consider job enrichment as the structuring of current jobs in a way that allow employees to experience growth, challenges and renewal in their work without having to leave their current jobs. Kaye and Jordan-Evans (2005:43-44) assert that an enriched job does the following:

- it enables employees to initiate, create and implement new ideas
- it encourages the setting and achievement of personal and group goals
- it enables employees to see their contributions to the end products and goals
- it challenges employees to increase their knowledge and capabilities
- it has a future-orientation.

Job rotation, on the other hand, trains employees to undertake a variety of jobs (Taylor, 1998:181). Job rotation does not solve the problem of boring repetitious work; it only addresses the problem of assigning employees to jobs with limited scope. This technique is most effective in training new employees and, on a higher level, in developing managerial generalists in that it exposes them to different operations (Grobler *et al.*, 2006:141).

The techniques discussed above allow jobs to be more motivationally intensive. The advantages of motivation-intensive jobs can be summarised as follows:

- higher productivity by challenged workers
- reduced absenteeism
- reduced turnover
- improved product quality
- more employee ideas and suggestions
- improved employee job satisfaction (Grobler *et al.*, 2006:140).

The key aspect of motivation at work lies in the fact that people must enjoy the nature of their work on a daily basis. People must not only have the necessary skills that are required to do their work, they must also be challenged to stretch and grow, and they must be able to see the results of their labour through trustworthy feedback (Athey, 2008:6).

#### **2.4.3. Implications of motivation**

Motivation is a basic psychological process and the study thereof includes aspects of psychology, social and cultural factors, and individual values and beliefs. In order to motivate employees, managers must understand the process of motivation and must know what to do to influence the choices individuals make in the motivation process (Amos *et al.*, 2004:150). In order to achieve employee retention and motivation, it is necessary to understand that people have individual motivations, which are often in intricate combinations. Cash incentives are not necessarily the best way to encourage motivation and retention. Moreover, it would be naïve to ignore the broader potential predictors of

motivation or dissatisfaction. The first step in actively managing motivation is to measure the most likely predictors of motivation or dissatisfaction regularly and to communicate these throughout the organisation interactively (Glen, 2006:38).

Mork (2010) position the following as the “five concrete” benefits of employee motivation:

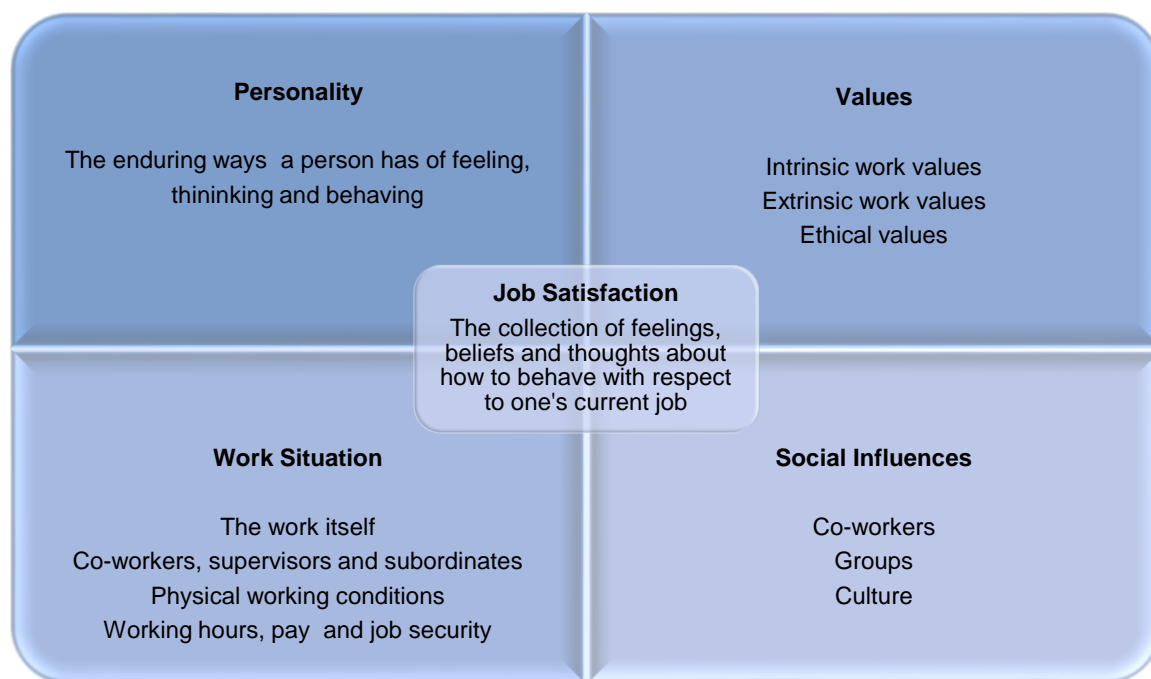
- improved productivity (productivity will improve because motivated employees work more efficiently, resulting in improved products or services in less time)
- higher quality of services or products (motivated employees will invest more effort, time and mental power into producing products or services)
- monetary savings (financial growth is likely to result from improved productivity and higher quality products or services)
- better employee retention rates (if employees are motivated, more of them are likely to be retained - existing employees have a great deal of knowledge about the organisation and retaining them will save time and money)
- a pleasant work environment (motivated employees are normally happy employees, which is contagious and leads to better productivity and a pleasant working environment for all).

## **2.5 JOB SATISFACTION**

Job satisfaction is one of the key attitudes that is of interest to managers and researchers alike, and can be defined as a situation where the evaluation of a person's job or job experience leads to a pleasurable or positive emotional state (Nelson & Quick, 2006:120). Smit *et al.* (2007:299) refer to job satisfaction as a person's general attitude towards a job. As it is based on employee attitudes, job satisfaction is inferred and personal, and is influenced by an individual's perceptions (Lussier, 2002:87). Luna-Arocas and Camps (2008:32) define job satisfaction as the feelings a person has about their job, including the different facets of that job. Job satisfaction is described by Lussier (2002:85) as a combination of attitudes towards a person's work.

### 2.5.1 Determinants of job satisfaction

The summation of job satisfaction attitudes can relate to a number of aspects of a person's job, such as the work itself, workplace interactions and relationships, rewards and incentive schemes and personal characteristics (Werner *et al.*, 2007:334). George and Jones (2005:81-83) group the factors that influence job satisfaction into personality, work situation, social influence and values. These determinants are illustrated in Figure 2.7.



**Figure 2.7: Determinants of job satisfaction** (Source: George & Jones, 2005:81)

The determinants illustrated above are discussed in the following section.

#### 2.5.1.1 Personality

The degree to which thoughts and feelings about a job are positive or negative is influenced by a person's personality (George & Jones, 2005:81). Personality attributes that can have direct relevance on explaining and directing behaviour in organisations include the following:



*Locus of control:* A person's locus of control can be either internal or external. People with an external locus of control do not believe that they have any control over their performance, while those who have an internal locus of control believe they are in control. People with an internal locus of control are more open to new experiences that may improve their performance (Lussier, 2002:42).

*Authoritarianism:* This is the belief that there should be a distinction between people's power and status differences within an organisation. Characteristics of authoritarianism include being judgemental and distrustful of others, being resistant to change, and being deferential to those on higher levels and exploitative of those on lower levels (Fox, 2006:56).

*Machiavellianism:* This refers to a person's manipulation and misuse of power. Individuals who display characteristics of Machiavellianism tend to have high self-esteem and confidence, which causes them to use tactics that serve their own objectives and self-interest (Amos *et al.*, 2004:126).

*Risk propensity:* This refers to an individual's willingness to take risks and this differs from person to person. In comparison to a person with a low risk propensity, a person with a high propensity for risk will make more rapid decisions using less information (Fox, 2006:56).

### **2.5.1.2 Work situation**

The work situation includes all aspects of the job. As the employing organisation is part of the work situation, it also influences job satisfaction. The work situation includes the tasks a worker performs, the people a worker interacts with, as well as the surroundings in which a worker works (George & Jones, 2005:82). According to Robbins *et al.* (2004:77), workers must be provided with work that is interesting and stimulating. Therefore, work should include stimulating tasks, opportunities for learning and personal growth, and the opportunity to be responsible and accountable for results. Provision must also be made for opportunities for promotion and advancement in an organisation – this includes lateral movements and growth. Robbins *et al.* (2004:77) add that the monetary remuneration

received should be comparable to other similar jobs within the organisation, as well as to similar jobs in other organisations.

#### **2.5.1.3 Social influence**

This is the influence individuals or groups have on a person's attitude and behaviour. Individuals' job satisfaction levels may potentially be influenced by their co-workers, the groups to which they belong, as well as the culture they grew up in and live in (George & Jones, 2005:82). Support from co-workers and supervisors can have an effect on job satisfaction. Co-worker support consists of technical, emotional and social support. Supervisory support entails the supervisor's capability to offer workers emotional and technical support, together with guidance concerning work-related tasks. (Robbins *et al.*, 2004:77).

#### **2.5.1.4 Values**

Values reflect a worker's basic personal belief that doing things a certain way is preferable to doing it another way (Smit *et al.*, 2007:296). Values contain an element of moral belief as they consist of an individual's ideas on what is right, good and desirable (Fox, 2006:54). People have different values. This may result in conflict, as a decision based on one person's values might not be in harmony with another person's values (Smit *et al.*, 2007:298). A person's value system consists of the importance that is assigned to different values such as freedom, self-respect, honesty, obedience, equality and pleasure (Fox, 2006:54).

Although job satisfaction is mostly related to employee feelings about the job in general, attention must also be given to satisfaction concerning specific facets, such as supervision, pay, opportunity for advancement and morale (Park & Kim, 2009:22). O'Malley (2000:159) proclaims that a satisfying job has the following three features: (1) it has inherently enjoyable features, (2) it presents the opportunity for growth and development, and (3) it makes employees feel efficient in the execution of their duties.

People will experience job satisfaction if they feel satisfied with most of the factors that are considered relevant to them (Werner *et al.*, 2007:62). A person with a high level of job satisfaction will have positive attitudes towards his/her job. In contrast, a person with a low level of job satisfaction will experience negative attitudes towards his/her job (Fox, 2006:56). Low levels of job satisfaction or job dissatisfaction may be caused by insufficient recognition, extreme workload, lack of challenging work, concerns about leadership effectiveness and anxiety about job and financial security (Smit *et al.*, 2007:300). Additional causes of low levels of job satisfaction or job dissatisfaction include general boredom with the job, forms of work-related stress, poor working conditions, lack of a defined workplace role, poor relationships with colleagues and frequent internal job moves (Taylor, 1998:215).

### **2.5.2 Implications of job satisfaction**

Research has shown that job satisfaction relates negatively to turnover and positively to retention (Van Dam, 2008:562). This implies that if job satisfaction is low, employees will develop a behavioural intention to quit (Luna-Arocas & Camps, 2008:32). Job satisfaction can therefore be seen as a key antecedent to voluntary turnover (Park & Kim, 2009:21). The lack of job satisfaction is also associated with higher absenteeism and lower performance. The lower performance is because if there is a lack of job satisfaction, there is often a lack of motivation, which results in lower performance (Lussier, 2002:88). If employees experience job satisfaction at work they will be more committed to an organisation. As a result, they are less likely to leave and are less likely to be absent. They may also display other positive behaviours, which are valuable to the organisation (Maurer & Lippstreu, 2008:329).

## **2.6 SUMMARY**

One of the ongoing issues organisations face is employee retention. In the first part of this chapter, the focus was on retention and labour turnover. Employee retention has important implications to labour turnover, with the one being the opposite side of the other. This was followed by a description of motivation, which included relevant motivation theories as well as techniques that can be used to motivate employees and that will ultimately lead to employee retention. The next section focused on job satisfaction, which is considered by some researchers as being a key antecedent of voluntary turnover. Chapter 2 concludes with the implications of job satisfaction. The next chapter, Chapter 3, describes the research methodology used in this study.

## **CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY**

### **3.1 INTRODUCTION**

The objective of this chapter is to illustrate the research methodology that was followed in this study. This includes the methods and techniques that were used to address the research questions, a description of the sample group, together with the sample selection technique employed. In addition, a description is provided of the measuring instrument used and the method of analysis applied to the collected data.

### **3.2 RESEARCH OBJECTIVES**

The following research objectives were formulated for the study:

#### **3.2.1 Primary objective**

The primary objective of this study was to identify the relationship between motivation, job satisfaction and retention in an information management department of a petrochemical organisation.

#### **3.2.2 Theoretical objectives**

The following theoretical objectives supported the primary objective:

- Provide a literature overview on motivation.
- Conduct a literature study on job satisfaction.
- Carry out a literature review on retention.

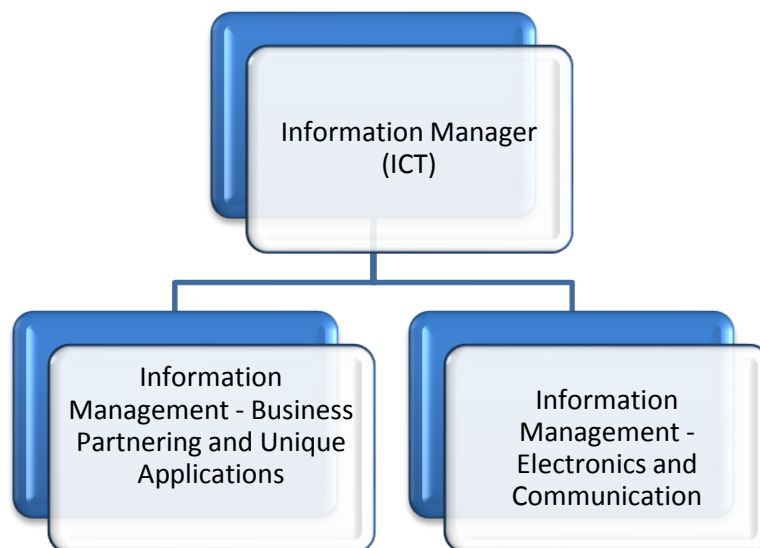
### 3.2.3 Empirical objectives

The empirical objectives formulated for this study were to:

- Evaluate employee job satisfaction levels.
- Identify factors influencing employee job satisfaction.
- Evaluate employee expectations for job satisfaction.
- Propose a retention strategy.

### 3.3 TARGET POPULATION

Welman, Kruger and Mitchell (2005:126) describe the target population as the population “to which the researcher ideally would like to generalize his or her results”. Goddard and Melville (2001:34) refer to a population as any group or collection of elements that is the focus of research interest. The target population for this research study involved individuals working in the information management department of a petrochemical organisation situated in the Vaal Triangle Fezile Dabi district. This information management (IM) environment consists of two subdivisions, namely information management (business partnering and unique applications) and information management (electronics and communication). This structure is illustrated in Figure 3.1.



**Figure 3.1: Information management structure**

From the illustration in Figure 3.1 it can be seen that the subdivisions report to a central information manager. It must be noted that for this study the population included employees as well as managers.

### **3.4 SAMPLE**

#### **3.4.1 Sampling technique**

A sample is a subset of the research population and has the necessary properties that will allow it to be representative of the entire population. Samples must be determined in such a way that the best representation of the study population is obtained in order to allow for the accurate generation of results (Bless, Higson-Smith & Kagee, 2000:86). The process of deciding who will be observed in a particular study is known as sampling. Sampling is used to select representatives from the target population in order to provide representative information about this population (Rossouw, 2003:108). The sample technique that is the best fit for this research is non-probability convenience sampling. Non-probability sampling is relatively sufficient for homogenous populations and is frequently used in the social sciences (Bless *et al.*, 2000:86). By way of non-probability convenience sampling, respondents are selected for the reason that they are easily accessible and in the vicinity (Rossouw, 2003:114). The advantages of non-probability sampling are that the cost is relative low and it is fast (Bless *et al.*, 2000:86). The disadvantage of the technique is that it is prone to bias (Welman *et al.*, 2005:70).

#### **3.4.2 Sample size**

The sample size is generally proportional to the size of the population (Rossouw, 2003:115). Gay and Airasian (2003) suggest that in a population of fewer than 100 people, the entire population must be sampled. The population for this study consisted of 50 employees; therefore, the entire population formed part of the sample. The sample size is thus set at  $n = 50$ . As the entire population formed part of the sample, this study constituted a census (De Vos *et al.*, 2005:217).

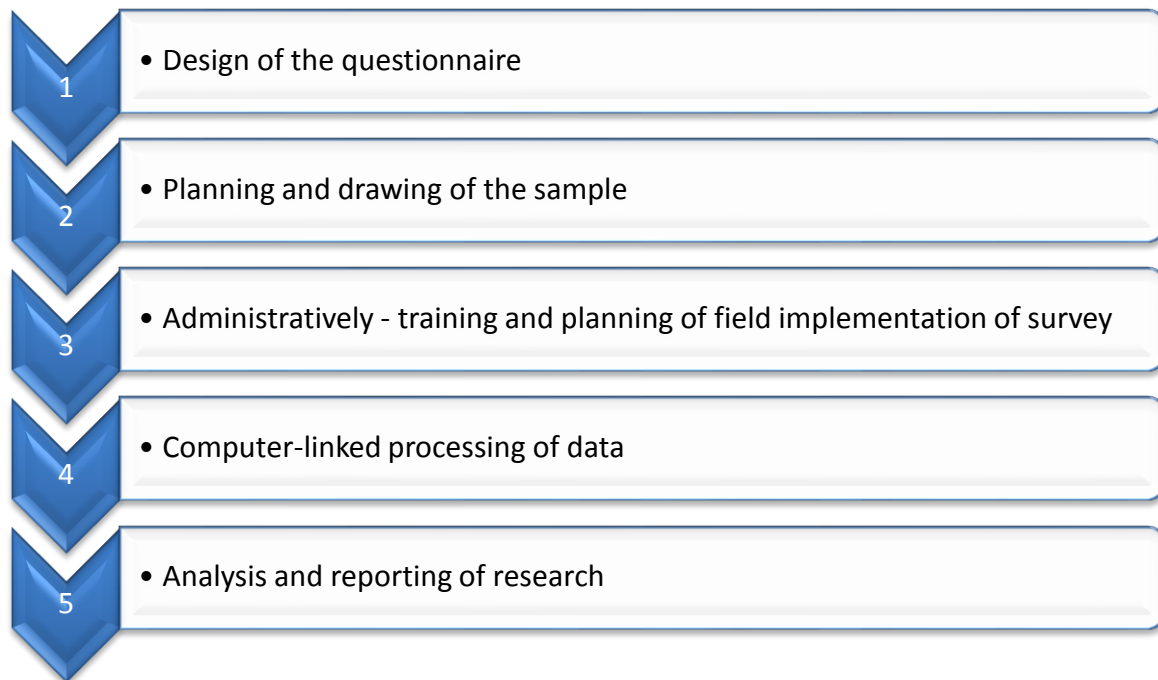
### **3.5 RESEARCH DESIGN**

For the purpose of this study, a quantitative research strategy was followed. The intention of quantitative research is first, to predict, describe and elucidate quantities, degrees and relationships and secondly, to generalise from a sample to the relevant population via the collection of statistical data (Du Plooy, 2002:82). Quantitative research relies on measurement to compare and analyse different variables (Bless *et al.*, 2000:37). The purpose of quantitative research may also be described as the evaluation of objective data that consists of numbers, where the aim is not to deal directly with everyday life but rather with an abstraction of reality (Welman *et al.*, 2005:8). Although quantitative research allows for the accurate and economical interpretation of data, it does limit analysis to semantics and syntactic factors because the quantitative content analysis is limited to the characteristics of the text (Rossouw, 2003:164).

### **3.6 MEASURING INSTRUMENT**

One of the primary methods used for data collection in quantitative studies is the survey research method (Webb, 2002:22). Surveys allows for the collection of large amounts of data. As a data collection method, surveys are relatively economical and can occur in realistic settings (Du Plooy, 2002:170). Rossouw (2003:128) describes survey research as a multi-tiered process. This process is illustrated in Figure 3.2.





**Figure 3.2: Stages in the survey process** (Source: Rossouw, 2003:128)

During this study, data was collected by means of a survey, using a questionnaire. Questionnaires are a way of getting information from people by asking questions. They form part of the more structured end of the data collection methods because they allow for the determination of which questions need to be asked and on the possible range of answers that can be provided (Gillham, 2002:2). For the purpose of this study, the relevant questionnaire was given to all persons employed at the information management department. The main intention of the questionnaire was to test the information gleaned from the literature study, as well as to investigate the perceptions that employees might have of employee job satisfaction levels within the information management department. A self-administered questionnaire was used for this study. With this type of questionnaire, the questionnaire is handed out to respondents for completion while the researcher stays available in the background (De Vos *et al.*, 2005:168).

### **3.6.1 Questionnaire design**

Questionnaires normally consist of a list of questions or statements that respondents are requested to answer or indicate the extent to which they agree/disagree with a given statement (Goddard & Melville, 2001:47). The purpose of a questionnaire is to investigate attitudes, beliefs, feelings, behaviour, knowledge and demographic characteristics (Webb, 2002:23). Questionnaires can consist of open- or closed-ended questions. Open-ended questions do not provide the respondent with a prior list of answers but rather provide space where the respondent can write his/her own answer. Closed-ended questions offer the respondent a range of possible answers from which the respondent must then select his/her appropriate choice (Welman *et al.*, 2005:174). Goddard and Melville (2001:48) suggest that a good questionnaire should have the following qualities:

- provide clear instructions
- be short and complete
- start with general questions
- only ask relevant but appropriate questions
- ask objective questions that are precise, explicit and understandable
- ask sensitive questions at the end
- consist mostly of closed-ended questions.

The advantages and disadvantages of questionnaires as a survey method are shown in Table 3.1.

**Table 3.1: Advantages and disadvantages of questionnaires as a survey method**

<b>Advantages</b>	<b>Disadvantages</b>
Inexpensive - low cost in time and money	Low response rates
Can acquire information from a large group of people very quickly	Lack of motivation of respondents
Questionnaire can be completed in respondents own time	Questions must be simple and concise
Relatively easy to analyse answers to closed questions	Misunderstandings cannot be corrected
Less pressure on respondents for instantaneous responses	Development of poor questionnaires
Anonymity of respondents	Information is sought by just asking questions
Lack of interviewer preconception	Assumes respondents have answers available in an organised method
Standardisation of questions	No control over order and context in which the respondents answer the questions
Can present suggestive data for testing of an hypothesis	Wording of questions can have a major effect on answers
	Illiteracy of respondents
	People talk more easily that they write
	Not possible to check seriousness or honesty of answers
	Uncertainty of respondents as to what happens to the data

(Source: Gillham, 2000:5-13)

The questionnaire designed for this study consisted of a cover page and the questionnaire. The intent of the cover page was to inform the respondents about the purpose of this study and to provide them with the assurance that all information obtained through the questionnaire would be treated as confidential and that the results would only be used for research purposes. In addition, the cover letter provided the respondents with the details and contact information of the researcher.

The questionnaire consisted of three sections: Section A –Personal and biographical information; Section B – Job satisfaction scale; and Section C – Job satisfaction factors.

Section A, the personal and biographical information section, covers the more general questions of the study. It consists of questions regarding gender, age, department (ICT or IM), pipeline layer (managing others or not), years in current position and years with the organisation.

Section B, the job satisfaction scale, consists of 26 statements relating to the job satisfaction factors that were identified through the literature study. The aim of these questions are to evaluate how employees perceive their level of job satisfaction in the following areas: working conditions, stimulating tasks, responsibility and accountability for results, opportunities for learning and growth, promotional opportunities, compensation/pay, recognition, co-workers, communication, supervision/leadership and job security.

The purpose of Section C of the questionnaire was to establish the importance of each of the job satisfaction factors, which were identified during the literature study. Clear instructions were provided to the respondents on how to complete each section of the questionnaire.

### **3.6.2 Scoring of instrument**

The questionnaire consists only of closed-ended questions. In Section A, the respondents were provided with corresponding multi-choice answers to each question from which they only had to select their appropriate option. Sections B and C of the questionnaire comprised statements anchored on a five-point Likert-type scale. The five-point scale allowed for a possibility of a neutral answer. In Section B, '1' is associated with being rated as 'Strongly Disagree' and '5' as being 'Strongly Agree'. These ratings continue into Section C, the only change being that on the scale of '1' to '5' the '1' represents 'Not Important' and '5' 'Very Important'.

### **3.6.3 Reliability and validity**

Reliability indicates that the measurements that are made are consistent (Goddard *et al.*, 2001:41). This implies that over a period of time the measure must be stable in order to constantly produce the same measurements (Du Plooy, 2002:121). The extent to which the measuring tool measures what it is supposed to measure is referred to as validity (Rossouw, 2003:123). Therefore, validity is used to denote that the measurements are correct; that is, that the instrument being used is measuring what it is intended to measure and that this is measured appropriately (Goddard & Melville, 2001:41). Reliability and validity are closely related because a claim that a measure is valid implies that it is also reliable. Therefore, it could be argued that a measure can only be valid if it is also reliable (Du Plooy, 2002:124).

### **3.6.4 Pilot study**

A pilot study is used to simulate the main study. For a pilot study, fewer people are involved but they will still be of the same kind as the final target group (Gillham, 2000:42). Pilot studies are used to determine any shortcomings or mistakes before the final distribution of the questionnaires. It also provides an opportunity to ensure that the questionnaire covers all the information that it is intended to cover. Before the distribution of the final questionnaire, it was pre-tested by using the following steps. First, the questionnaire was presented to the manager of the information management department to determine the simplicity of the questionnaire and to establish if any additional points needed to be included. Secondly, seven people were asked to pre-test the questionnaire and indicate whether they understood the questionnaire's instructions, the meaning of the questions and the terminology used in the questionnaire. All seven questionnaires were received back and all the records indicated that there were no problems with the questionnaire. Therefore, the final questionnaire was distributed to the rest of research population. The reliability of the completed questionnaires was determined using Cronbach's reliability alpha. Sections B and C both scored above the suggested guideline of 0.700, thereby indicating the reliability of both scales. The reliability statistics for Sections B and C are summarised in Table 3.2.

**Table 3.2: Reliability statistics for Sections B and C**

Reliability Statistics – Section B

Cronbach's alpha	Cronbach's alpha based on standardised items	Number of items
0.918	0.925	26

Reliability Statistics – Section C

Cronbach's alpha	Cronbach's alpha based on standardised items	Number of items
0.732	0.748	12

### 3.7 STATISTICAL ANALYSIS

The description of quantitative data can be done using two descriptive measures, namely the measure of the central tendency and the measure of variance, of which the most common value calculated for all units of analysis is the central tendency (Du Plooy, 2002:203). During this study, data were analysed using descriptive statistics. Descriptive statistics are concerned with the description and/or summarisation of the data obtained for a group of individual units of analysis (Welman *et al.*, 2005:231). Tabulation was used to make comparisons in the demographics of the data and was also used as a basis for presenting the data graphically. The SPSS, Version16 for Windows was used to analyse the data. The statistical analysis consisted of frequencies, reliability testing, T-tests and Levene's test for equity of variances. The following statistical terms were used during the statistical analysis of the data:

**Variable:** A property that takes two or more values and can therefore be seen as a characteristic or attribute of the study object (Welman *et al.*, 2005:16).

**N:** The number of cases for each variable.

**Mean:** The sum of the measurements divided by the total number of measurements (De Vos *et al.*, 2005:233). This is the average value for the variable. The mean makes use of every score of the distribution and, therefore, is the most correct measure of central tendency (Bless & Kathuria, 2001:46).

**Mode:** This is the value of the midpoint of the class-interval with the highest frequency and is used as a method for determining the central tendency of a set of data (Bless *et al.*, 2001:37).

**Median:** This refers to the middle value of an ordered set of scores that does not include all the scores of the allocation and, therefore, is not affected by excessive values (Bless *et al.*, 2001:46).

**Frequency distribution:** These are used to establish if the distribution is even across the intervals or whether they are bunched around one or two intervals (Welman *et al.*, 2005:230)

**Standard deviation:** The standard deviation is the square root of the variance of the data (Goddard & Melville, 2001:54), where variance is the average squared distance of the recorded values from the calculated mean.

**Minimum:** This is the smallest value obtained for a variable.

**Maximum:** This is the largest value obtained for a variable.

### 3.8 SUMMARY

This chapter provides a description of the empirical part of the study. Included in the chapter is the way in which the data was gathered, the size and choice of the sample, the reliability of the collected data, together with the statistical methods used to analyse the data. The following chapter reports on the results and findings of the study.

## **CHAPTER 4: RESULTS AND FINDINGS**

### **4.1 INTRODUCTION**

The previous chapter discussed the research methodology that was used in this study. In this chapter, the results and findings of the research are described. These results and findings were compiled by evaluating and analysing the data gathered via questionnaires distributed to individuals working in the information management department of a petrochemical organisation.

### **4.2 PERSONAL AND BIOGRAPHICAL INFORMATION**

The target population comprised employees working in the information management department of a petrochemical organisation situated in the Vaal Triangle Fezile Dabi district. The study population for this research consisted of 50 individuals. The participants included employees in different sub-departments of the information management department, as well as managers. The questionnaires were distributed to 50 individuals, of which 41 completed questionnaires were received back. This represents a response rate of 82 percent.

Section A of the questionnaire (refer to Appendix A) was designed to elicit the personal and biographical information of respondents. This section consisted of questions regarding gender, age, department (ICT or IM), pipeline layer (managing others or not), years in current position and years in organisation. Although some questions in Section A were not answered by some respondents, the relevant questionnaires were still considered as useable as the other sections were all completed. Table 4.1 summarises the missing records.



**Table 4.1: Summary of missing records**

Variable	Valid Frequency Total	Missing Frequency Total
Gender	39	2
Age	39	2
Department	38	3
Pipeline layer	40	1
Years in current position	39	2
Years in organisation	39	2

The personal and biographical information that was obtained through the responses to the statements in Section A of the questionnaire is indicated in Table 4.2.

**Table 4.2: Personal and biographical information**

Item	Category	Frequency	Percentage
Gender	Male	27	69.2%
	Female	12	30.8%
Age of employees	18 – 30 years	6	15.4%
	31 – 40 years	19	48.7%
	41 – 50 years	8	20.5%
	Older than 50years	6	15.4%
ICT department	Information Management	21	55.3%
	Electronics and communication	17	44.7%
Pipeline layer	Managing self	31	77.5%
	Managing others	9	22.5%
Years employed in current position	1 – 3 years	14	35.9%
	4 – 7 years	17	43.6%
	8 – 11 years	3	7.7%
	12 – 15 years	2	5.1%
	More than 15 years	3	7.7%
Years employed within the organisation	1 – 3 years	5	12.8%
	4 – 7 years	8	20.5%
	8 – 11 years	4	10.3%
	12 – 15 years	11	28.2%
	More than 15 years	11	28.2%

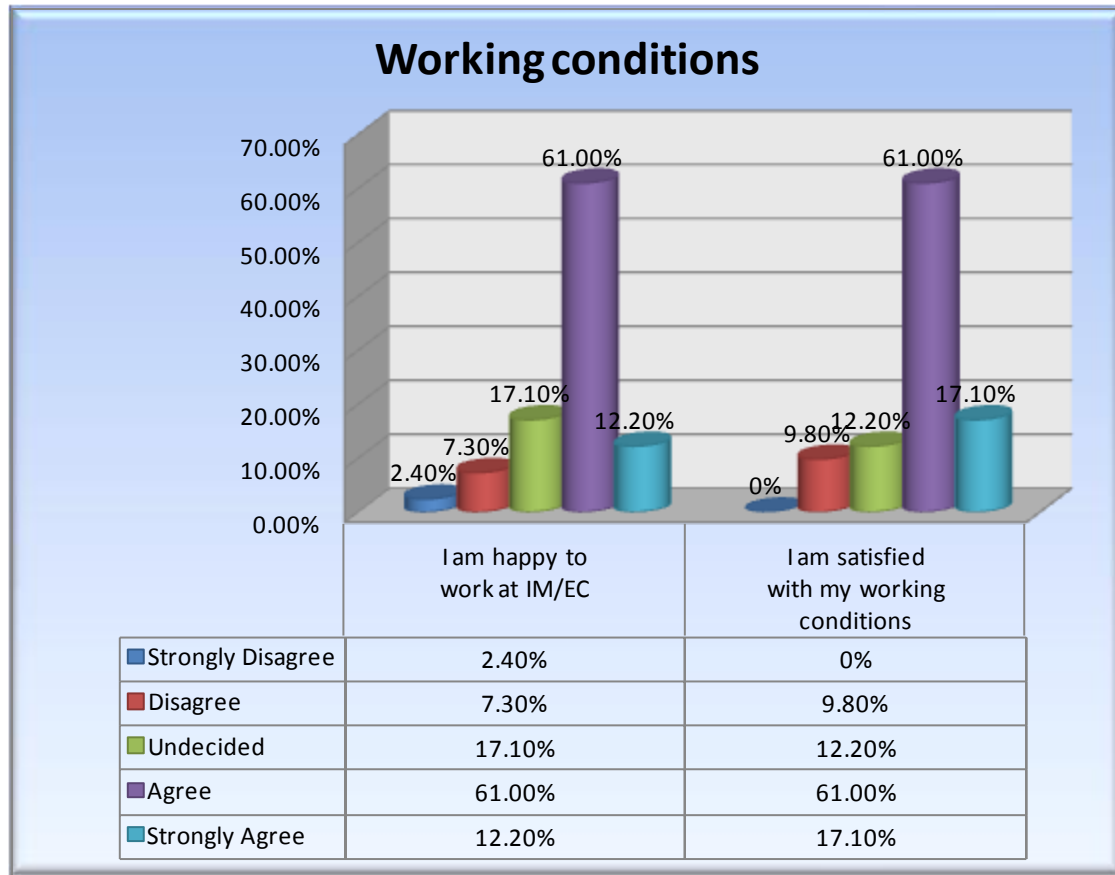
In summary, the group can be described as follows: The majority of the respondents were male (69.2%). Most of the respondents (48.70%) were between 31 and 40 years of age, followed by the 41 to 50 year age group, which accounted for 20.5 percent of the respondents. The majority of the respondents worked in the information management department (55.30%). The results show that 22.5 percent of the employees have people reporting to them, which indicates that they are involved in management. From the responses it can be seen that the majority of employees (43.6%) were employed in their current position for between four and seven years. The majority of employees had been with the organisation for between 12 – 15 years (28.2%) and more than 15 years (28.2%). This is followed by a group of 20.5 percent that had been with the organisation for between four and seven years.

### **4.3 JOB SATISFACTION**

Section B consisted of 26 questions. The questions were aimed at evaluating how employees perceived their level of job satisfaction in the areas of working conditions, stimulating tasks, responsibility and accountability for results, opportunities for learning and growth, promotional opportunities, compensation/pay, recognition, co-workers, communication, supervision/leadership and job security.

#### **4.3.1 Working conditions**

Questions B1 and B12 relate to working conditions. From the results it can be seen that the majority of employees indicated that they were satisfied with their working conditions. As shown in Figure 4.7, the majority of the responses indicated that the employees “agreed” and “strongly agreed” with the statements that they are happy to work at IM/EC and are satisfied with their working conditions.

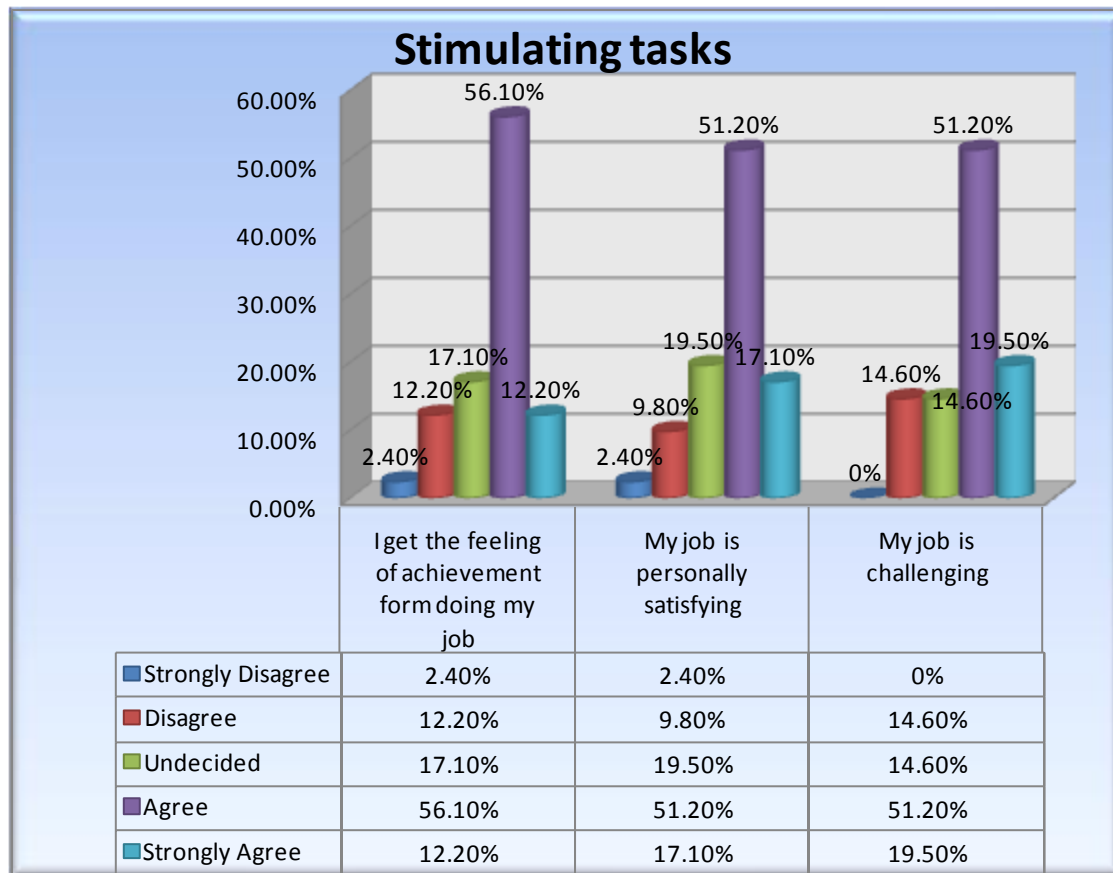


**Figure 4.1: Working conditions**

#### **4.3.2 Stimulating tasks**

In order to evaluate employees' perception of stimulating tasks as a job satisfaction factor, the following statements were provided. The first statement was: "I get the feeling of achievement from doing my job". The majority of employees agreed (56.10%) and strongly agreed (12.20%) with this statement. "My job is personally satisfying" was the second statement in this set. The responses to this statement were also positive, with 51.20 percent of the employees who agreed and 17.10 percent who strongly agreed with this statement. The last statement in this set - "My job is challenging" - also received fairly positive feedback, with 51.20 percent of the employees indicating that they agreed and 19.50 percent indicating that they strongly agreed. However, it must be noted that 14.6

percent of the employees did not agree with this statement. Figure 4.8 reflects the responses to the questions relating to stimulating tasks.

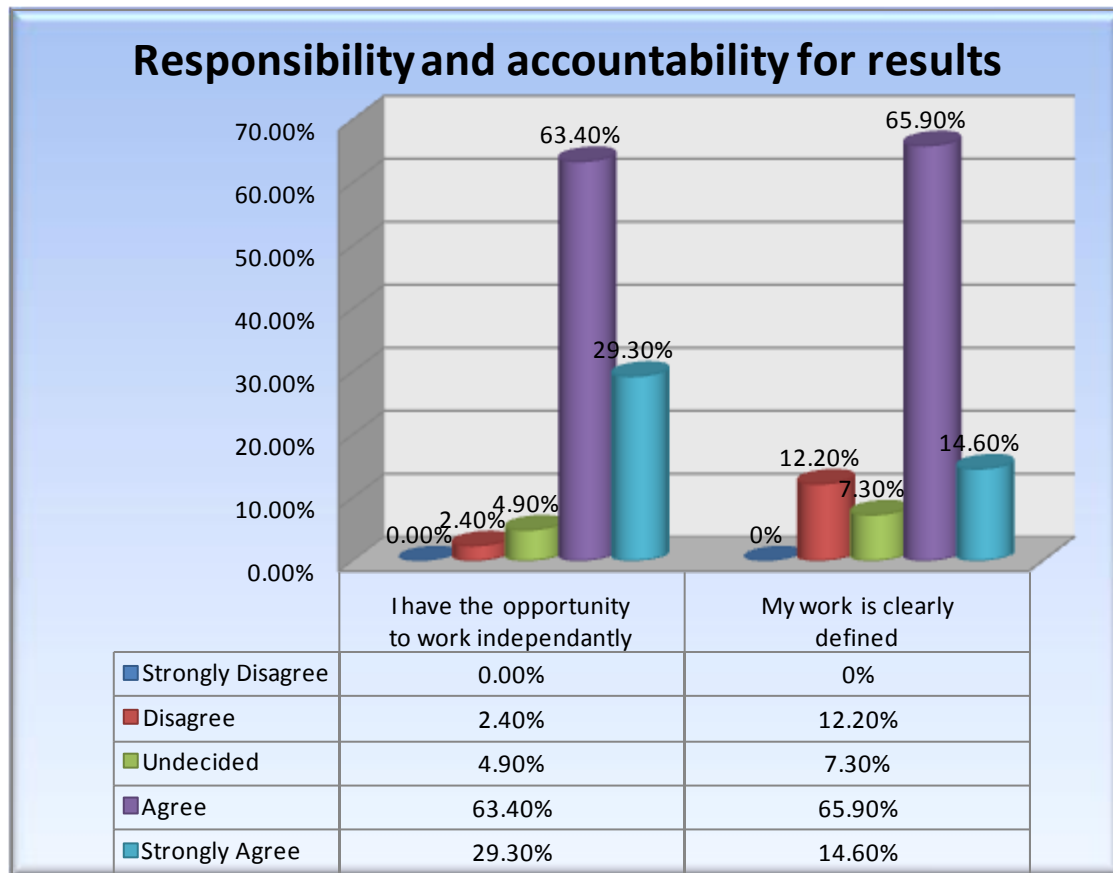


**Figure 4.2: Stimulating tasks**

### 4.3.3 Responsibility and accountability for results

The next set of job satisfaction factors covered was responsibility and accountability for results. Figure 4.9 reflects the responses to the relative statements. From the results, it is clear that nearly every one of the respondents indicated that they felt that they do have the opportunity to work independently. Although the majority also indicated that they felt that their work is clearly defined, 12.20 percent disagreed with this statement. The disagreement to this statement may be because some of the jobs are very closely related and are also, to a large degree, very dependent on each other. This might imply that some

jobs overlap in certain areas, resulting in the perception that the work is not clearly defined.

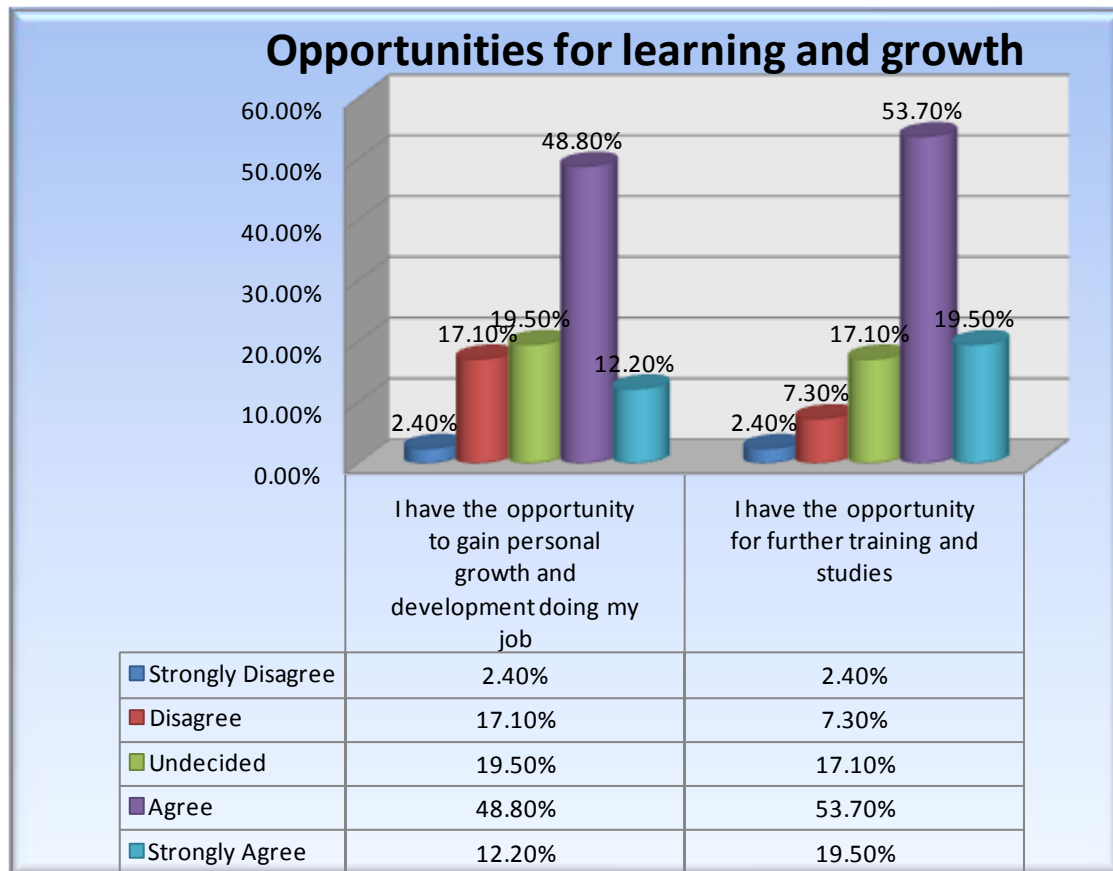


**Figure 4.3: Responsibility and accountability for results**

#### **4.3.4 Opportunities for learning and growth**

In order to evaluate employees' perceptions regarding their opportunities for learning and growth, they were requested to respond to two statements. The first statement relates to the opportunity to gain personal growth and development from doing their job, while the second statement relates to the opportunity for further training and studies. Most of the respondents indicated that they felt that they do have the opportunity for further training and studies. The responses to the statement regarding the opportunity to gain personal growth and development from doing their job indicate that 48.8 percent agreed and 12.2 percent of the respondents strongly agreed. However, it must be noted that the responses

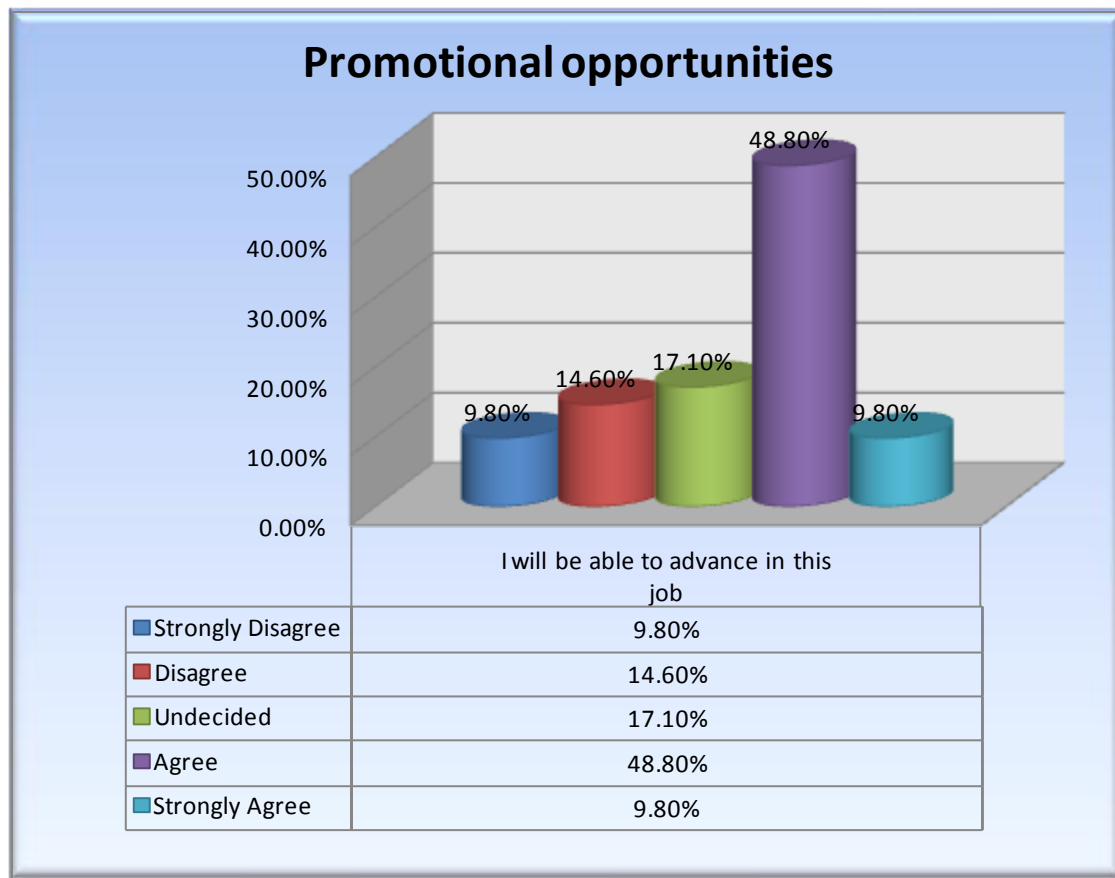
in total to this statement were less positive, with 17.10 percent of the respondents having indicated that they disagreed with the statement. This may be because some of the jobs contain very 'routine' work that does not allow many opportunities for new learning experiences. These results are displayed in Figure 4.10.



**Figure 4.4: Opportunities for learning and growth**

#### **4.3.5 Promotional opportunities**

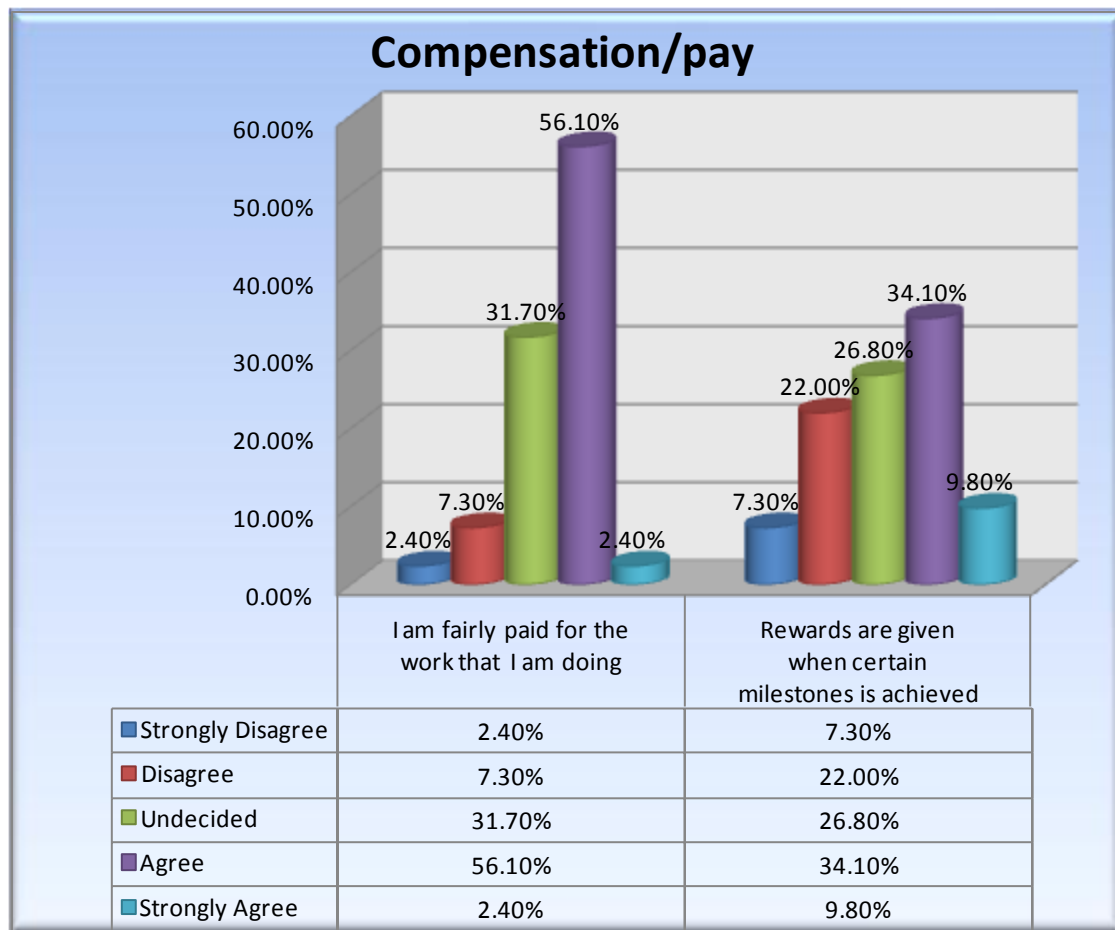
The respondents' perceptions regarding the promotional opportunities in their jobs were less favourable. As illustrated in Figure 4.11, although more than 50 percent agreed and strongly agreed that they were able to advance in their current jobs, 9.80 percent strongly disagreed and 14.60 percent disagreed with this statement. A possible reason for this is that only a certain amount of positions on certain levels are available. These positions only become available once the current incumbent leaves that position.



**Figure 4.5: Promotional opportunities**

#### **4.3.6 Compensation/pay**

The results to this set of job satisfaction factors are displayed in Figure 4.12. Although this is one of the areas of which the 'undecided' group was somewhat large, the results regarding the statements about compensation and pay are quite clear. More than half (56.10%) of the respondents, felt that they were fairly paid for the work that they were doing. However, from the results displayed in Figure 4.12 it is evident that less than 50 percent of the respondents felt that rewards were given when certain milestones are achieved.

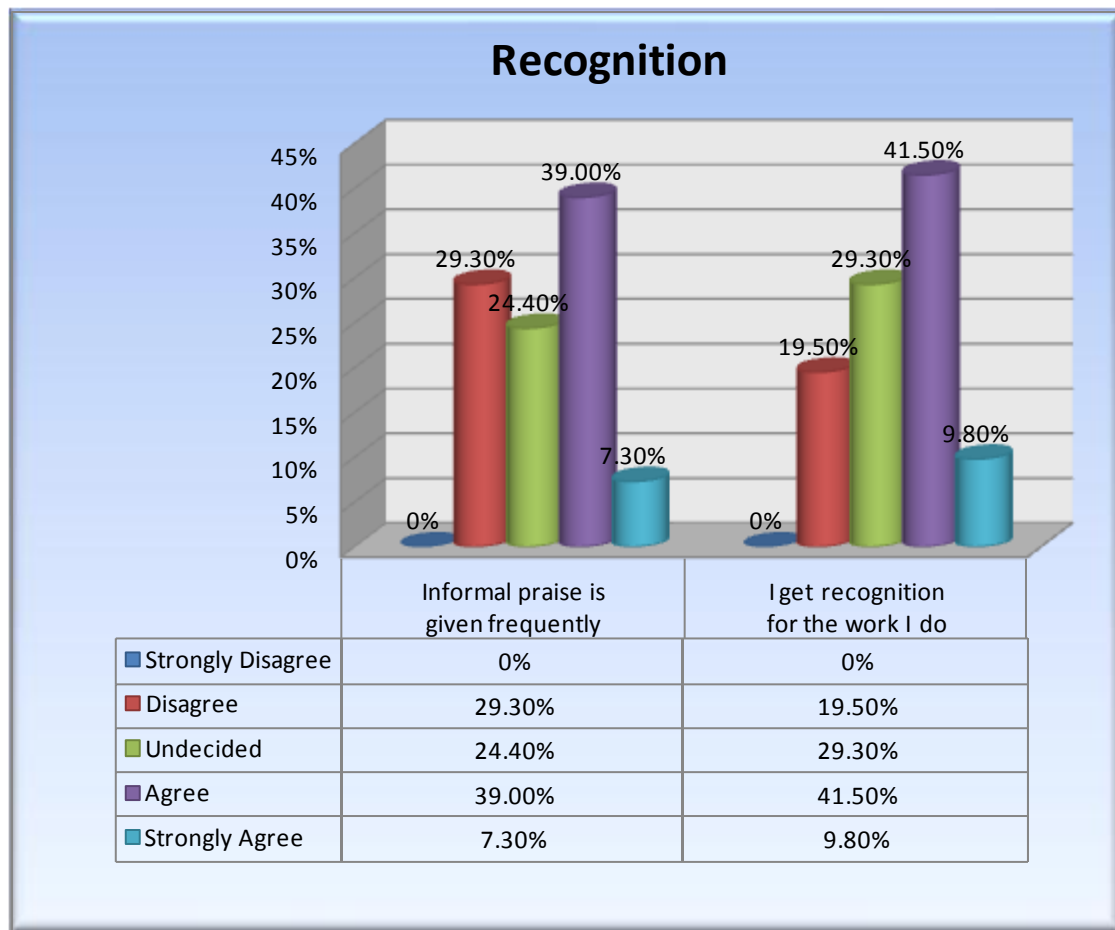


**Figure 4.6: Compensation/pay**

#### **4.3.7 Recognition**

The next set of job satisfaction factors is recognition. As is apparent from the results displayed in Figure 4.13, the 'undecided' group of responses is larger in this area. In this set, 39 percent of respondents agreed and 7.3 percent strongly agreed that informal praise was given frequently. The responses also indicate that 41.5 percent of the respondents agreed and 9.8 percent strongly agreed that they received recognition for their work. However, Figure 4.13 clearly illustrates that a significant amount of the respondents (29.30%) felt that informal praise was not given frequently and 19.50 percent of the respondents stated that they did not get recognition for their work.

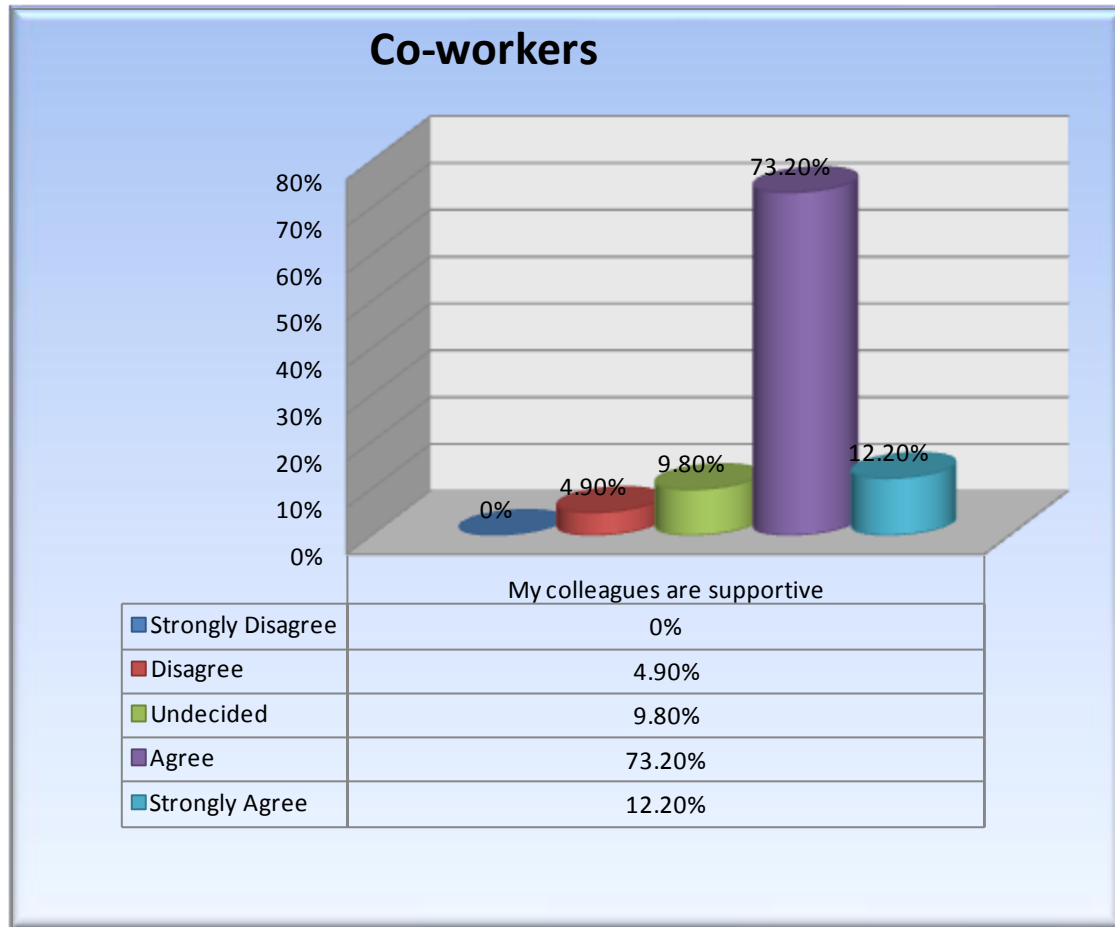




**Figure 4.7: Recognition**

#### **4.3.8 Co-workers**

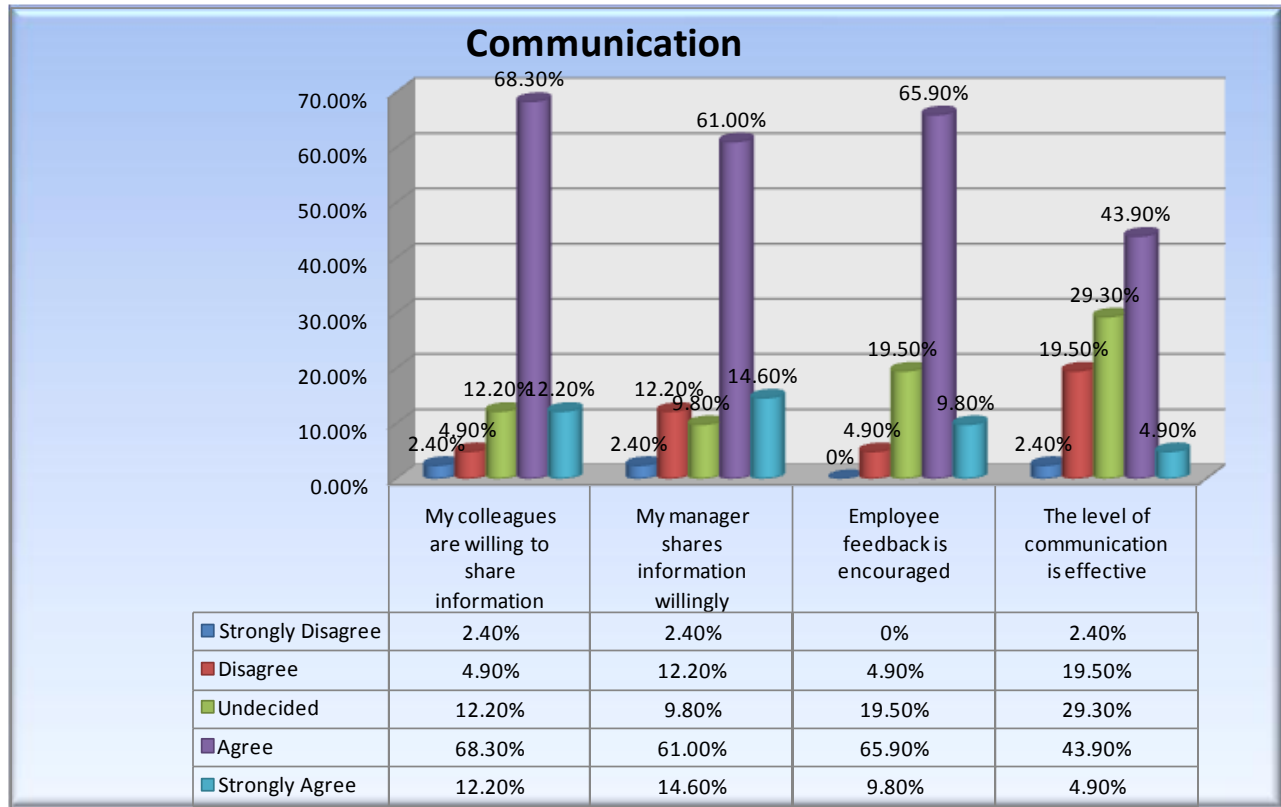
More than 85 percent of the respondents replied that they experienced their colleagues as being supportive. This result is shown in Figure 4.14.



**Figure 4.8: Co-workers**

#### **4.3.9 Communication**

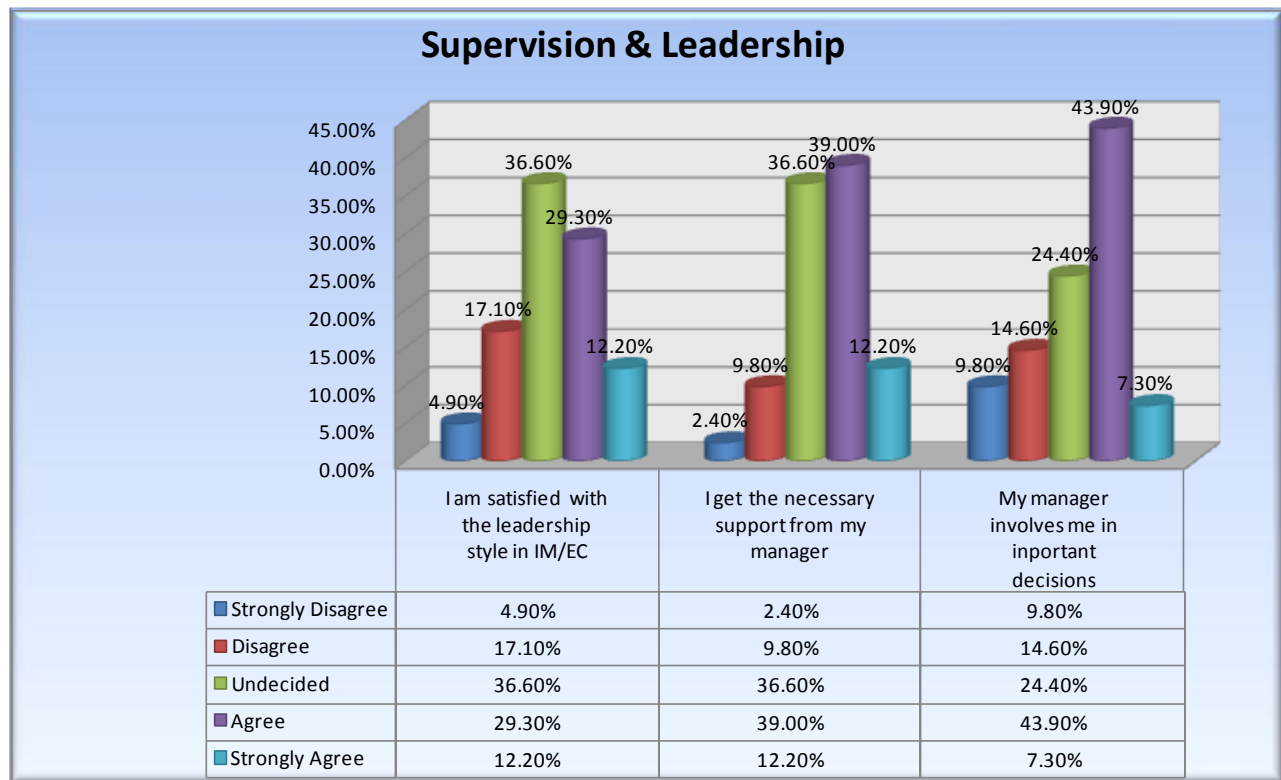
In order to evaluate how communication is perceived as a job satisfaction factor by the respondents, they were asked to evaluate four statements. The results are illustrated in Figure 4.15. From the results, it is apparent that the respondents felt that their colleagues and managers are willing to share information. It is also clear that employee feedback is encouraged. An area that must be investigated is the level of communication, given that less than 50 percent of the respondents stated that the level of communication is effective.



**Figure 4.9: Communication**

#### **4.3.10 Supervision/leadership**

In order to assess how employees perceive supervision and leadership as a job satisfaction factor, they were requested to respond to three statements. The first statement related to the respondents' satisfaction with the leadership style in IM/EC. Less than 45 percent of the respondents indicated that they were satisfied with the leadership style in IM/EC. The second statement asked the respondents to indicate if they received the necessary support from their managers. More than 50 percent of the respondents agreed with this statement, with 36.60 percent being undecided. The final statement related to whether their manager involved them in important decisions. Although approximately 50 percent of the respondents replied positively to this statement, 9.80 percent strongly disagreed and 14.60 percent disagreed with this statement. The results of supervision and leadership are illustrated in Figure 4.16.

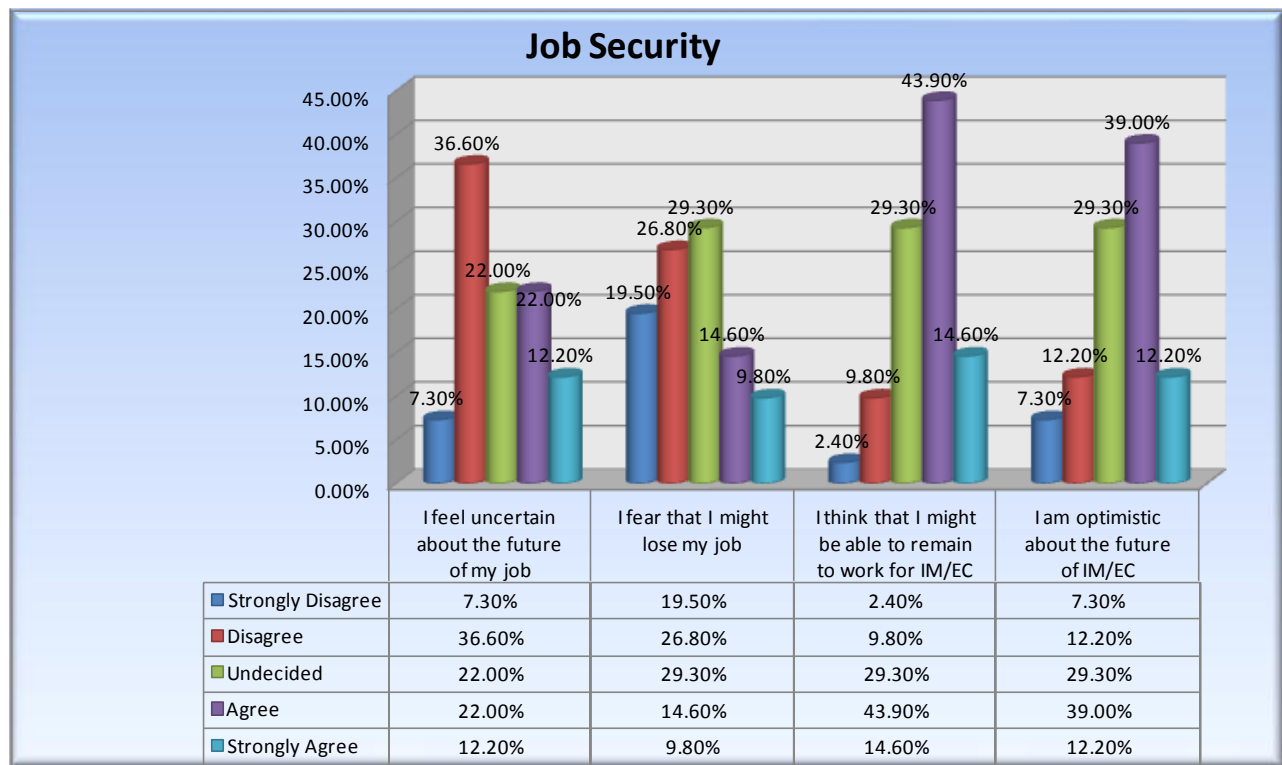


**Figure 4.10: Supervision and leadership**

#### **4.3.11 Job security**

Figure 4.17 illustrates the respondents' view of job security. Of the respondents, 36.6 percent disagreed and 7.3 percent strongly disagreed with the statement that they feel uncertain about the future of their jobs. More than 45 percent of the respondents also indicated that they did not fear that they might lose their jobs. Although a large number of the respondents appeared to feel certain about the future of their jobs and feel that they might be able to remain working within the department, there were a number of respondents that felt uncertain about the future. Of the respondents, 22 percent agreed and 12.20 percent strongly agreed that they felt uncertain about the future of their jobs. This uncertainty was also observed through the 14.60 percent of respondents who agreed and 9.80 percent who strongly agreed that they feared that they might lose their job. One reason for this uncertainty could be the fact that the organisation was at the time of the study considering centralising all the services, including those in the IM environment. A

second reason could be the worldwide economic downfall being experienced, which had a large impact on the chemical industry in South Africa.



**Figure 4.11: Job security**

#### **4.4 JOB SATISFACTION COMPARISON BETWEEN THE ICT DEPARTMENTS**

A comparison was done between the two ICT departments in order to identify areas where there is a difference of opinion between the departments regarding the identified job satisfaction factors. This comparison was done statistically through the use of Cohen's D. The results of this comparison are shown in Table 4.2.

**Table 4.3: Job satisfaction comparison between the ICT departments**

Areas of Job Satisfaction	Mean IM	Standard Deviation IM	Mean EC	Standard Deviation EC	T-Value	Significant	Cohen's D	Effect Size
Working conditions	4.048	0.568	3.441	0.9334	2.470	0.018	0.650311	Medium <sup>++</sup>
Stimulating tasks	3.68	0.891	3.65	0.837	0.125	0.901	0.033670	Small
Responsibility and accountability for results	4.19	0.622	3.79	0.561	2.040	0.049	0.643087	Medium <sup>++</sup>
Opportunities for learning and growth	3.881	0.7229	3.471	0.9432	1.519	0.138	0.434690	Small
Promotional opportunities	3.67	0.966	2.94	1.298	1.976	0.056	0.562404	Medium <sup>++</sup>
Compensation/pay	3.33	1.017	3.00	1.173	0.938	0.354	0.281330	Small
Recognition	3.67	0.713	3.03	0.838	2.533	0.016	0.763723	Large <sup>+++</sup>
Co-workers (technical, emotional and social support)	4.00	0.707	3.88	0.600	0.545	0.589	0.169731	Small
Communication	3.75	0.47434	3.5735	0.76936	0.868	0.391	0.229411	Small
Supervision/leadership	3.75	0.649	2.86	0.936	3.429	0.002	0.950855	Large <sup>+++</sup>
Job security	3.57	0.895	3.21	0.601	1.440	0.159	0.402235	Small

\*Statistically significant  $p \leq 0.50$

+Effect size value is practically significant  $d \geq 0.50$  (medium effect)

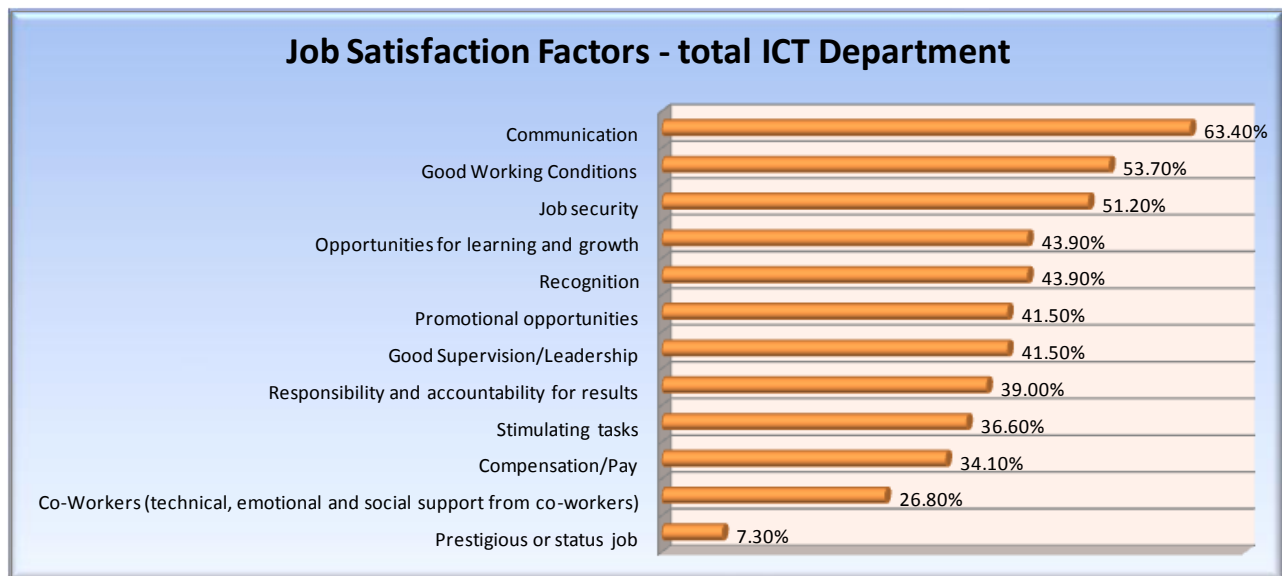
++Effect size value is practically significant  $d \geq 0.80$  (large effect)

The largest effect size occurred in the section on supervision/leadership, followed by recognition, which suggests a high practical significance. This is followed by a medium effect size in the areas of working conditions, responsibility and accountability for results and promotional opportunities, indicating a moderate practical significance. The employees in the IM department responded more positively to these areas than those working in the EC department. Stimulating tasks, opportunities for learning and growth, compensation/pay, co-workers, communication and job security all had a small effect size, indicating a low practical significance.

## 4.5 JOB SATISFACTION FACTORS

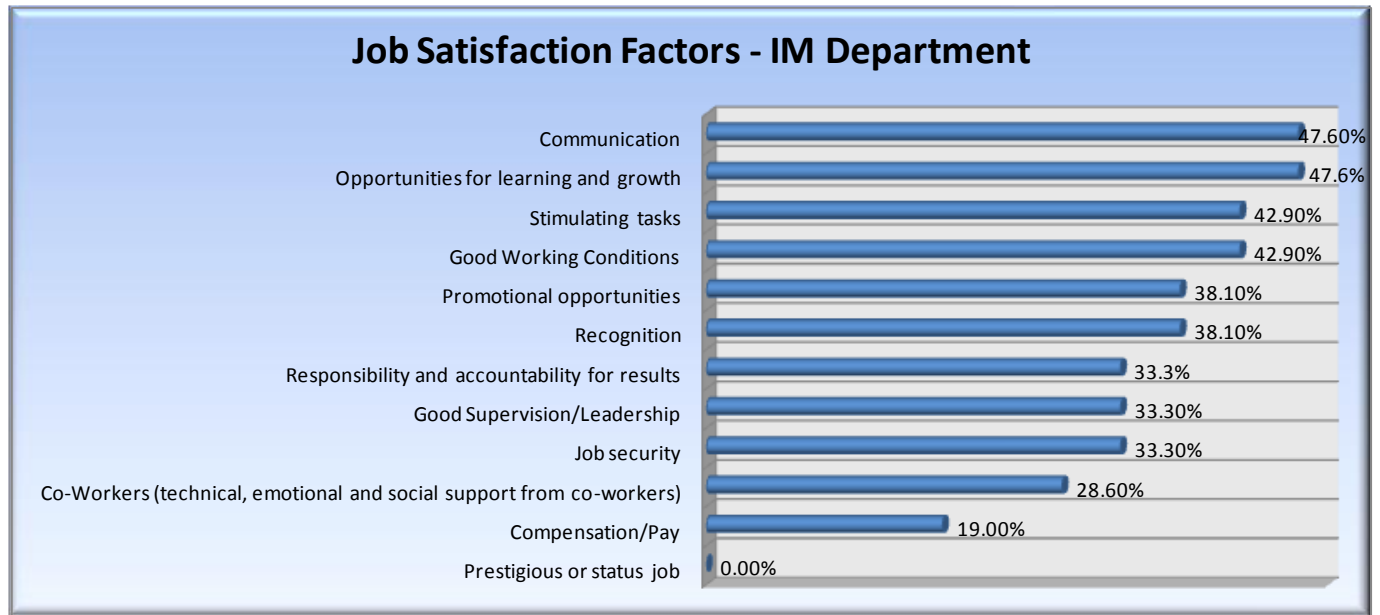
The purpose of Section C of the questionnaire was to establish the importance of the job satisfaction factors, which were identified through the literature study. In order to display the results, the findings are grouped into two sets of figures, each containing three figures. The first set illustrates the job satisfaction factors that were identified as 'very important' to the respondents, while the 'important' job satisfaction factors are illustrated by the second set.

The five most important job satisfaction factors for the total ICT department, in order of importance, were communication, good working conditions, job security, opportunities for learning and growth, and recognition.



**Figure 4.12: Job satisfaction factors - total ICT department**

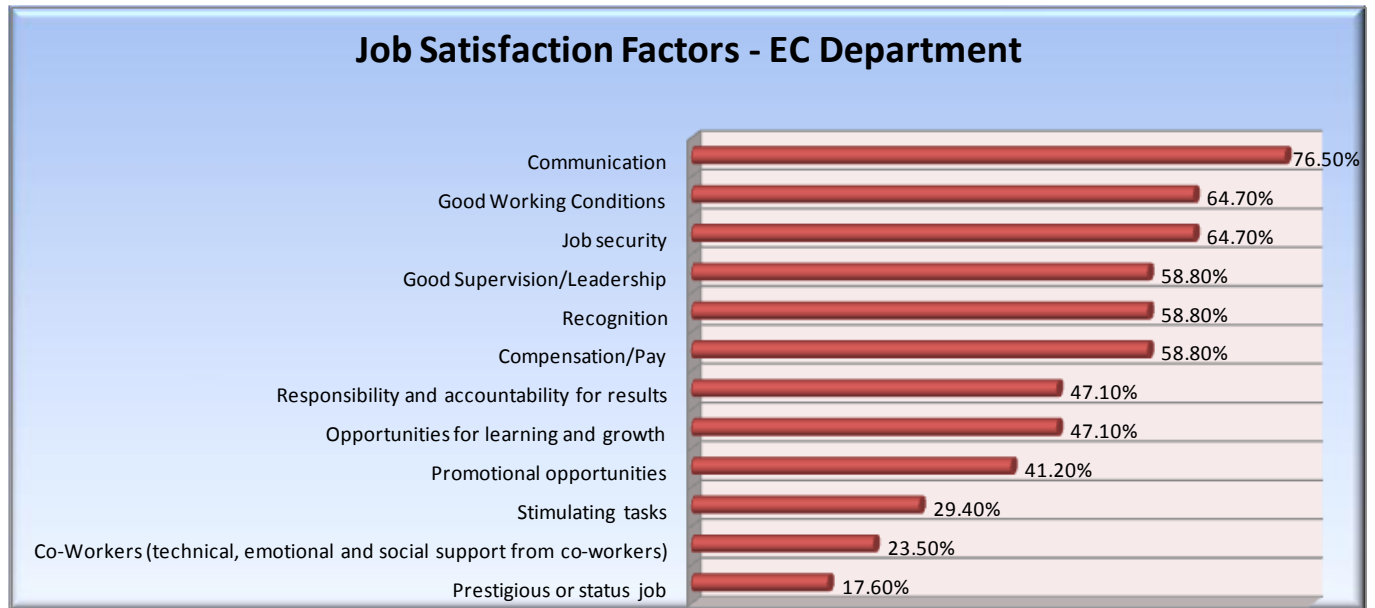
The most important job satisfaction factors according to each department (IM and EC) are illustrated in Figure 4.19 and Figure 4.20, respectively. According to Figure 4.19, the most important job satisfaction factors for the IM department were communication, opportunities for learning and growth, stimulating tasks, good working conditions, promotional opportunities and recognition.



**Figure 4.13: Job satisfaction factors - IM department**

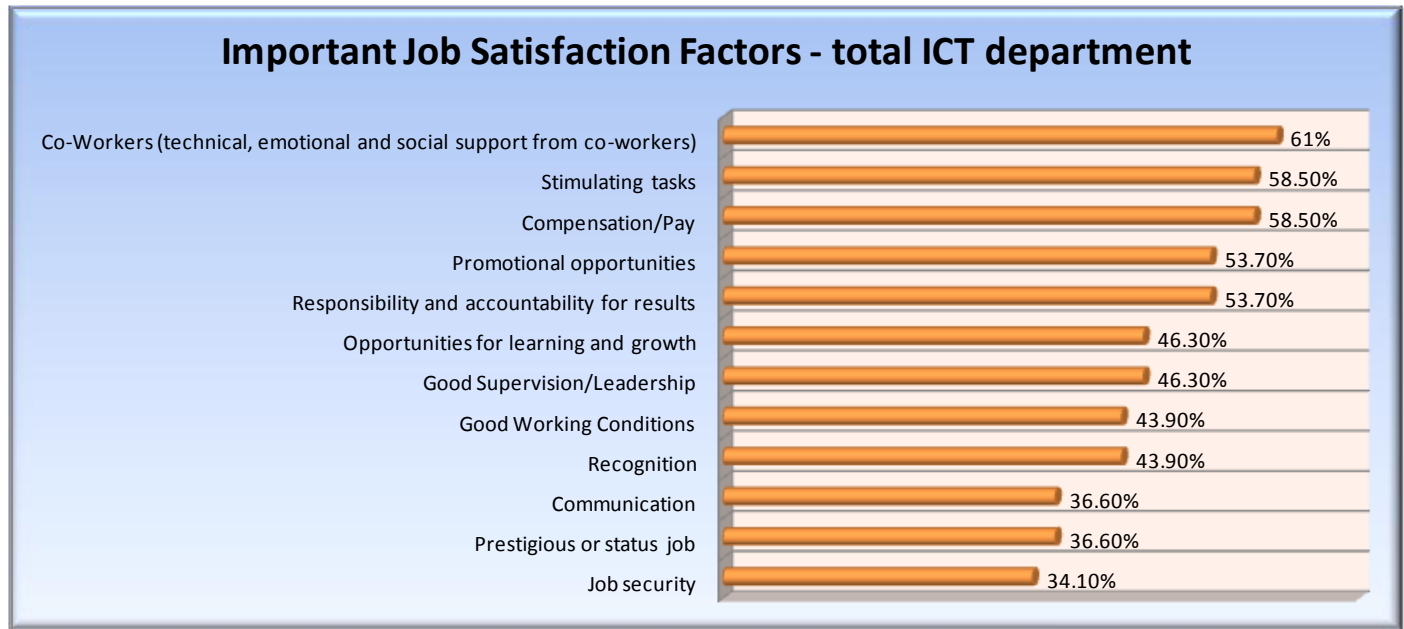
The most important job satisfaction factors for the EC department were communication, good working conditions, job security, good supervision/leadership, recognition and compensation/pay. It is evident that communication is seen as the most important job satisfaction factor by both departments.





**Figure 4.14: Job satisfaction factors - EC department**

The following set of figures illustrates what job satisfying factors were important to the respondents. Figure 4.21 shows the important job satisfying factors for the total ICT department. Co-workers (that is technical, emotional and social support) is seen as the most important job satisfaction factor as per the total ICT department. This is followed by stimulating tasks, compensation/pay, promotional opportunities and responsibility and accountability for results.



**Figure 4.15: Important job satisfaction factors – total ICT department**

The classification of the most important job satisfaction factors per ICT department was as follows:

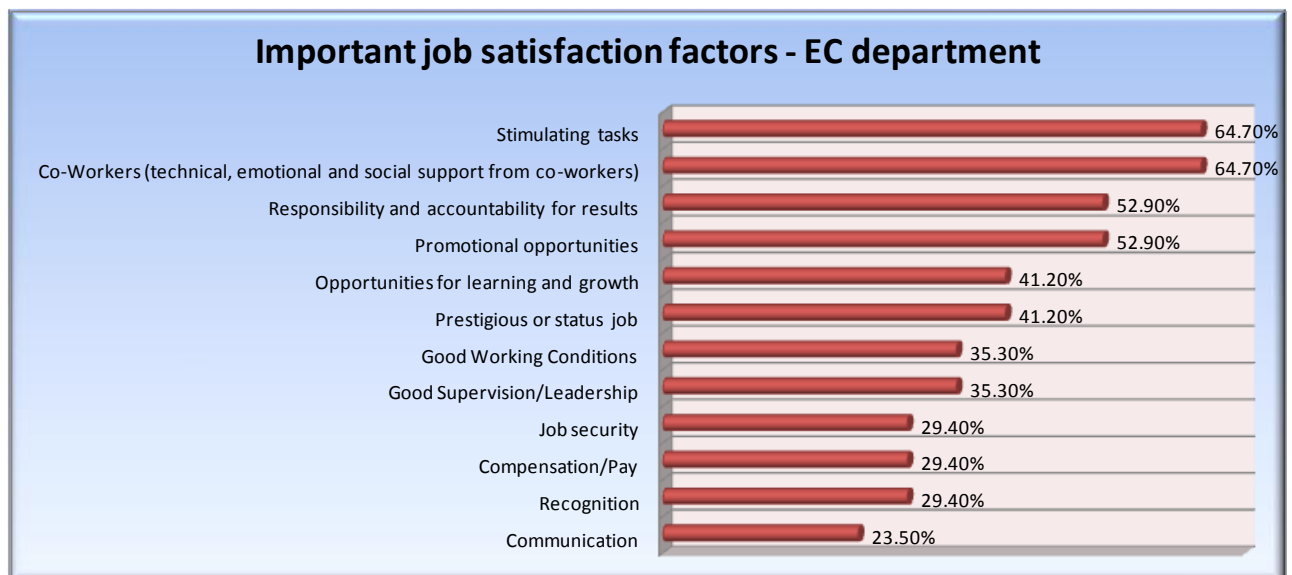
**Information management:** compensation/pay, stimulating tasks, promotional opportunities, responsibility and accountability for results, and co-workers.

**Electronics and communication:** stimulating tasks, co-workers, responsibility and accountability for results, and promotional opportunities.

On the whole, it is apparent from the results that both the sub-departments experienced similar job satisfaction factors as important. The important job satisfaction factors per sub-department are illustrated in Figures 4.22 and 4.23, respectively.



**Figure 4.16: Important job satisfaction factors – IM department**



**Figure 4.17: Important job satisfaction factors – EC department**

#### **4.6 SUMMARY**

In this chapter, the data from the empirical study were analysed and interpreted, with specific reference to the job satisfaction factors that were identified through the literature study. In order to make the data more presentable and understandable, bar and pie charts were used to illustrate the results. In the next chapter, conclusions will be drawn and recommendations emanating from this study made. In addition, the limitations of the study and the implications for future research will be discussed.

## **CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS**

### **5.1 INTRODUCTION**

In the previous chapter, the findings of the study were analysed and interpreted. In this chapter, an overview of the study is provided, together with the resulting conclusions and recommendations. The chapter concludes with the limitations of the study, the value of the study and what implications the study holds for further research.

### **5.2 OVERVIEW OF STUDY**

The main objective of this study was to identify the relationship between motivation, job satisfaction and retention in an information management department at a petrochemical organisation. The purpose of Chapter 1 was to provide an introduction and overview of the research study. Chapter 1 provided a background to the study, the problem statement, the objectives of the study, as well as the research methodology that was followed in the study. In Chapter 2, a detailed literature study was conducted on motivation, job satisfaction and employee retention. The first part of the chapter focused on employee retention and employee turnover, with specific reference to the elements of retention approaches and the implications of employee turnover. This was followed by an in-depth discussion about motivation, motivation theories and motivation techniques. Job satisfaction, with specific reference to the determinants of job satisfaction, formed the last part of Chapter 2. Chapter 3 described the research methodology that was followed for the empirical portion of the study. A quantitative research strategy was applied and data were collected by means of a survey in the form of questionnaires. In Chapter 4, the results and findings of the empirical study were presented and interpreted. Tables, bar charts and pie charts were used to illustrate these results. The conclusions that may be drawn from the results and findings presented in Chapter 4 are discussed in the following section.

### 5.3 CONCLUSIONS

The first objective of this study was to conceptualise motivation, retention and job satisfaction.

*Motivation* is a psychological process consisting of unsatisfied needs that lead to motives or goals, which must be attained in order to satisfy these needs. From the literature study, it may be concluded that the study of motivation is a study in itself, consisting of facets of human psychology, social and cultural factors and individual values and beliefs. Motivation is divided into two categories, namely intrinsic motivators and extrinsic motivators. Intrinsic behaviour is performed for its own sake, whereas extrinsically motivated behaviour is performed to avoid punishment or to gain material or social rewards (George & Jones, 2005:177). In the literature review, the work of eminent motivation theorists, including Maslow, Herzberg, McClelland and Locke, was discussed. Research of motivation led to various motivation theories that can broadly be divided into two categories, namely needs (content) theories and process theories of motivation. Knowing what motivates employees allows organisations to utilise the relevant and different motivational tools in order to encourage preferred behaviour.

*Retention* of talented employees who have the necessary competencies to assure organisational survival is one of the key issues organisations face in attempting to gain a competitive advantage through their human resources. The inability to retain employees leads to employee turnover, which, in turn, has a direct impact on organisational costs, productivity and business performance. According to Chew and Chan (2008:504), organisations attempt to eliminate these potential problems by striving to create positive organisational climates through the use of various human resource management initiatives in order to retain valuable employees. Issues that are deemed as important to employees include a satisfying working environment, training and career development opportunities, rewards and recognition, good working relationships and resources, challenging jobs and autonomy. Employees will be more committed to an organisation if the organisation provides something valuable to them, leading to the direct consequence of employees being more committed to an organisation and, as such, being less likely to leave (Maurer & Lippstreu, 2008:329). In order to create organisation commitment and develop retention

strategies, the factors that operate as motivators for retention, together with the value that they attribute to employees, must be identified (De Vos & Meganck, 2009:47).

*Job satisfaction* is an attitude (Lussier, 2002:87) and is influenced by factors such as personality, work situation, social influence and values (George & Jones, 2005:81-83). Based on previous research, it is clear that job satisfaction is considered as a key antecedent of voluntary turnover – if job satisfaction is low, employees will develop the behavioural intention to quit. During the literature study, various motivation and retention techniques were identified which may all be utilised to improve job satisfaction. In short, job satisfaction can be achieved by providing employees with enthusiasm to work in an interesting environment, which allows for their performance to crest and provides them with continuous new and challenging work experiences.

The findings of this study are summarised in Sections 5.3.1 to 5.3.3 and address the following empirical objectives:

- Identify factors influencing employee job satisfaction.
- Evaluate employee job satisfaction levels.
- Evaluate employee expectations for job satisfaction.
- Propose a retention strategy.

### **5.3.1 Factors influencing employee job satisfaction**

The ranking of the factors influencing job satisfaction for the total ICT department, according to importance is illustrated in Table 5.1.

**Table 5.1: Factors influencing job satisfaction according to importance**

Importance	Factors influencing job satisfaction
1	Communication
2	Good working conditions
3	Job security
4	Opportunities for learning and growth
5	Recognition
6	Promotional opportunities
7	Good supervision/leadership
8	Responsibility and accountability for results
9	Stimulating tasks
10	Compensation/pay
11	Co-workers
12	Prestigious or status job

Communication was identified as the most important factor influencing job satisfaction. The second most important factor identified was that of good working conditions, while job security was identified as the third most important factor influencing job satisfaction. Opportunities for learning and growth, and recognition were ranked fourth and fifth on the list, followed by promotional opportunities and good supervision/leadership. Responsibility and accountability for results ranked eighth on the list of factors influencing job satisfaction. Technical, emotional and social support from co-workers, and prestigious or status job were the last two elements ranked on the list.

### **5.3.2 Employee job satisfaction levels**

*Communication:* From the job satisfaction survey, it is clear that the vast majority of the respondents felt satisfied with the overall communication between employees, between employees and managers, and the encouragement of feedback. However, the level of effectiveness of communication needs to be investigated as less than 50 percent of the respondents felt that this was effective. Glen (2006:40) proposes the creation of an open feedback-orientated environment, in which employees are provided with regular opportunities to provide honest and open feedback.



*Good working conditions:* The work environment must be clean and safe, with quality equipment that is in working order (Clark, 2009:44). In addition, the work environment must be supportive and empowering (Glen, 2006:42). The satisfaction survey indicated that the majority of the respondents felt satisfied with their working conditions.

*Job security:* Although a certain degree of uncertainty could be detected, more than half of the study population felt optimistic about the future and felt that they would be able to remain working for the department.

*Opportunities for learning and growth:* Although most of the respondents felt that they did have the opportunity for further training and studies, there was an indication of a lack of opportunity to gain personal growth and development from current work experience. According to Herzberg's theory employee motivation can be increased by providing opportunities for growth, achievement and responsibility (Smit *et al.*, 2007:345). Individual growth and development can be induced by providing resources and time for all employees to partake in training activities (Clark, 2009:44). Findings from research by Maurer and Lippstreu (2008:337) prove that employees were more likely to have organisational commitment if they had better access to resources for development.

*Recognition:* From the satisfaction survey it can be seen that only half of the study population felt that they received recognition for their work and nearly 30 percent stated that informal praise was not given frequently. It is also clear that there is a large effect size (0.763) between the IM and the EC departments within the ICT department, indicating that the EC department was less satisfied with recognition as a job satisfaction factor. Praise is a non-monetary form of recognition and could be praise from managers, team members or customers (Chew *et al.*, 2008:507). Results from previous research (Huang *et al.*, 2006:502) confirm that employee retention is better if an employee is recognized as a honoured employee.

*Promotional opportunities:* Albeit the majority of the respondents agreed that there were opportunities for promotion, about 20 percent did not agree with their colleagues.

*Good supervision/leadership:* The responses to good supervision/leadership as a factor influencing job satisfaction was less positive, with a relative large group being undecided.

From the results, it can be concluded that a significant number of the respondents were dissatisfied with the leadership style in the ICT environment and did not feel that their managers involved them in important decisions. It should be noted that this is the area with the largest effect size (0.950) between the IM and EC departments, with the most dissatisfaction occurring within the EC department. According to Thacker and Holl (2008:102) successful managers respects employees and encourage them to express their views and concerns. Research by Maurer and Lippstreu (2008:337) indicates that employees who experienced higher supervisor support tended to have more commitment towards their organisations.

*Responsibility and accountability for results:* It may be concluded that the majority of the respondents were satisfied with this factor. The results suggest that the opportunity to work independently did exist for the majority of the respondents and that they felt that their work was clearly defined. Autonomy provides employees with positive psychological benefits since it allows employees to take responsibility for their own work results (Thacker *et al.*, 2008:106).

*Stimulating tasks:* Responses to stimulating tasks as a factor influencing job satisfaction mostly pointed to satisfaction. Employees tend to be more engaged and satisfied with their work if the work that they are provided with is challenging, exciting and interesting (Chew *et al.*, 2008:508).

*Compensation/pay:* From the results, it can be concluded that the majority of the respondents were satisfied with their salaries and felt that they were fairly paid for what they were doing. However, it is clear from the results that a significant number of the respondents felt that rewards were not given when certain milestones were met. Pay relates negatively to job satisfaction and must be competitive to what other employers are offering (Taylor *et al.*, 2006:651). Previous research (Huang *et al.*, 2006:502) confirm that employee retention is improved if pay is higher than compared with external or internal rates.

*Co-workers:* It is apparent from the results that the majority of respondents were pleased with the support they received from their co-workers. Athey (2008:6) advise that

employees will be more committed to their work if they believe that they are heard, that their contributions are appreciated and that their colleagues care.

*Prestigious or status job:* The results indicate that a prestigious or status job was not deemed as important to this study population.

### **5.3.3 Employee expectations for job satisfaction**

According to the results of this study, employee expectations for job satisfaction were not met in the areas of recognition and good supervision/leadership. Employee expectations are only partially met in the areas of communication, opportunities for learning and growth, promotional opportunities, and compensation/pay. Employee expectations for job satisfaction are summarised in Table 5.2.

**Table 5.2: Employee expectations for job satisfaction**

Job satisfaction factor	Expectations being met			Comments
	Yes	No	Partially	
<i>Communication</i>			X	Level of effectiveness of communication needs to be investigated
<i>Good working conditions</i>	X			
<i>Job security</i>	X			
<i>Opportunities for learning and growth</i>			X	There is an indication of a lack in the opportunity to gain personal growth and development from current work experience
<i>Recognition</i>		X		Expectations not being met
<i>Promotional opportunities</i>			X	About 20% of respondents feel they do not have the opportunity for promotion
<i>Good supervision / leadership</i>		X		Expectations not being met
<i>Responsibility and accountability for results</i>	X			
<i>Stimulating tasks</i>	X			
<i>Compensation / pay</i>			X	Rewards are not given when certain milestones are met
<i>Co-workers</i>	X			
<i>Prestigious / status job</i>	X			

The proposed retention strategy is discussed under the recommendations in Section 5.4.

## 5.4 RECOMMENDATIONS

The recommendations emanating from this study are made in the form of a retention strategy that is illustrated in Table 5.3.

**Table 5.3: Retention strategy**

Retention factor	Attribute	Comments
<b>Communication</b>		
	Communication between employees and managers	In order – to be maintained
	Communication between employees	In order – to be maintained
	Level of communication	Needs attention: <ul style="list-style-type: none"> <li>• Formulate communication strategy</li> <li>• Minutes of all meetings and formal sessions</li> </ul>
<b>Working conditions</b>		
	Environment	To be maintained
<b>Job security</b>		
	Dependent on economic environment	To be managed accordingly
<b>Opportunities for learning and growth</b>		
	Further training and studies	In order – to be maintained
	Personal growth and development	Needs attention –improve by: <ul style="list-style-type: none"> <li>• Coaching</li> <li>• Temporary assignments</li> <li>• Assignments to projects</li> </ul>
<b>Recognition</b>		
<i>*Note: The EC department in particular needs to focus on this element</i>	Formal recognition	Relatively in order – to be maintained
	Informal praise	Needs attention –improve by: <ul style="list-style-type: none"> <li>• Use “steps to giving praise model” discussed in chapter 2 (point 2.4.2.1)</li> <li>• Give recognition – via e-mail</li> </ul>
<b>Promotional opportunities</b>		
	Advance in career	Needs attention –improve by: <ul style="list-style-type: none"> <li>• Establish formal career paths</li> <li>• Career development plans</li> </ul>

**Table 5.3: Retention strategy (...continued)**

Retention factor	Attribute	Comments
<b>Supervision / Leadership</b>		
<i>Note: The EC department in particular needs to focus on this element</i>	Leadership style	Needs attention – improve by: <ul style="list-style-type: none"> <li>• People development courses</li> </ul>
	Management support and employee involvement in important decisions	Needs attention – improve by: <ul style="list-style-type: none"> <li>• Improve communication (see retention factor “communication” above)</li> </ul>
<b>Responsibility and accountability for results</b>		
	Work independently	In order – to be maintained
	Work clearly defined	Can be improved: <ul style="list-style-type: none"> <li>• Work (Job) design</li> </ul>
<b>Stimulating tasks</b>		
	Experience job as personally satisfying and challenging and get a feeling of achievement from doing job	Reasonably in order – can be improved by: <ul style="list-style-type: none"> <li>• Job enrichment</li> <li>• Job rotation</li> </ul>
<b>Compensation/pay</b>		
	Fairly paid	In order – to be maintained
	Rewards for milestones	Can be improved by: <ul style="list-style-type: none"> <li>• Extrinsic (monetary) rewards – gift vouchers</li> <li>• Intrinsic rewards – recognition (see retention factor “recognition” above)</li> <li>• Milestone functions – e.g. barbecues, breakfast sessions</li> </ul>
<b>Co-workers</b>		
	Support from co-workers	To be maintained
<b>Prestigious/status job</b>		
	Job status	Currently indicated as not important to the respondents

## **5.5 LIMITATIONS OF THE RESEARCH**

The contributions of this research should be viewed in light of its subsequent limitations. The most important limitation of this study is that it only evaluated the perceptions of information workers working for a specific division of a petrochemical organisation in the Vaal Triangle; therefore, the results cannot be generalised. Owing to logistical problems and cost-related issues, the study does not include other divisions in South Africa or any of the international divisions. Consideration must also be given to the lack of longitudinal data as the cross-sectional nature of this research was limiting in that the strength and duration of the effects of job insecurity could not be assessed over a period of time. The final limitation is the reliance on self-reported questionnaire data. With the use of self-reported questionnaires, it is impossible to control respondent behaviour and the opportunity to clarify uncertainties is also lost, which may result in the validity of the data being compromised (Rossouw, 2003:129).

## **5.6 VALUE OF THIS RESEARCH**

This study advances knowledge regarding the significance of motivation and job satisfaction in the retention of employees. The information gathered through this research may assist in the establishment of an optimal mix of motivating or job satisfaction factors that will aid in retaining current employees. In addition, the findings of this study may assist management in creating a desirable working environment for existing and new employees. This research also serves as reference material for the rest of the organisation, both nationally and internationally, as well as similar organisations.

## **5.7 IMPLICATIONS FOR FUTURE STUDIES**

Flowing from this study, there are several possible avenues for future research. This study only covered a specific division and department. As such, the study could be expanded to encompass the rest of the organisation's divisions in South Africa. In addition, the study could be extended to the organisation's offices in Africa, Europe, Asia and America in order to determine if motivation and job satisfaction factors differ or remain constant

across different countries. Future studies should concentrate on narrowing motivation or job satisfaction factors down to more precise factors. Furthermore, the same study could be conducted a few years from now in order to establish if there are any changes in the importance of motivation of job satisfaction factors within this environment.

## **5.8 SUMMARY**

The purpose of this study was to investigate motivation, staff retention and job satisfaction in order to ensure staff retention. This chapter provided an overview of the study, as well as the conclusions and recommendations. From the research, it is clear that these concepts do not exist in isolation but are closely related. Employees are not motivated by a single motivational factor and are not satisfied with their jobs simply by experiencing satisfaction with only one aspect of their job. Rather, job satisfaction and motivation is the result of a combination of several different elements. The findings of this research may improve organisations' awareness of the facilitation of work environments with regards to motivation, job satisfaction and staff retention. The challenge is to find the optimum combination of these elements in order to ensure satisfied employees. Having achieved this, organisations will be able to retain their most valued employees.



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## APPENDIX A

### MEMORANDUM

29 January 2010

Dear Colleague,

Re: **ANSWERING OF QUESTIONNAIRE**

I am currently busy with my degree Masters Technologiae: Business Administration at the Vaal University of Technology. My research title is as follows: ***“Staff retention in an Information Management Environment”***. As part of my research project, I need to collect information from you as a member of an Information Management environment in order to validate my studies; therefore, a questionnaire has been formulated to collect the necessary data. The successful completion of my research study requires your assistance – some of your time to complete the attached questionnaire is all that I ask.

The answering of the questionnaire should take you between 5 and 10 minutes and the outcome of the research study will be invaluable for future use. The information that you will provide will be treated in **TOTAL CONFIDENCE** and your responses to the questions will be considered **ANONYMOUS**. Please note that I need the feedback on or before **16 February 2010**.

Thank you for the courtesy of your assistance.

Sincerely yours,  
Wanda Odendaal  
082 887 8480

## QUESTIONNAIRE ON JOB SATISFACTION

Please complete the questionnaire by simply encircling the appropriate number, or placing a tick in the block provided representing the answer closest to your view. Note that the questionnaire consists of three (3) sections: Section A – Personal and biographical information, Section B – Job satisfaction questionnaire and Section C – Job satisfaction factors.

### Section A – Personal and biographical information

All the responses to the following questions will be treated completely anonymously, and it would be very useful if you provide the personal details requested.

1.	What is your gender?	Male Female	1 2
2.	Into which age group do you fall?	18-30 years 31-40 years 41-50 years 51 > years	1 2 3 4
3.	ICT Department	Information Management Electronics and Communication	1 2
4.	Pipeline Layer <i>*Managing self – you <b>do not</b> have people reporting to you</i> <i>*Managing others – you <b>have</b> people reporting to you</i>	Managing self Managing others	1 2
5.	How many years have you been employed in your <b>current position</b> ?	1 – 3 Years 4 – 7 Years 8 – 11 Years 12 – 15 Years More than 15 Years	1 2 3 4 5
6.	How many years have you been employed within the <b>company</b> ?	1 – 3 Years 4 – 7 Years 8 – 11 Years 12 – 15 Years More than 15 Years	1 2 3 4 5



## Section B – Job Satisfaction Scale

	Describe how you feel about each of the statements below by encircling the number that best describes your view. <b><u>Number 1</u></b> being <b><u>strongly DISAGREE</u></b> and <b><u>number 5</u></b> being <b><u>strongly AGREE</u></b> .	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
1	I am happy to work at IM/EC	1	2	3	4	5
2	My work is clearly defined	1	2	3	4	5
3	I will be able to advance in this job	1	2	3	4	5
4	My colleagues are supportive	1	2	3	4	5
5	I am positive about the future of IM/EC	1	2	3	4	5
6	Informal praise is given frequently	1	2	3	4	5
7	Employee feedback is encouraged	1	2	3	4	5
8	I get the feeling of achievement from doing my job	1	2	3	4	5
9	I am satisfied with the leadership style in IM/EC	1	2	3	4	5
10	I am fairly paid for the work that I am doing	1	2	3	4	5
11	I feel uncertain about the future of my job	1	2	3	4	5
12	I am satisfied with my working conditions	1	2	3	4	5
13	My colleagues are willing to share information	1	2	3	4	5
14	I get the necessary support from my manager	1	2	3	4	5
15	My job is personally satisfying	1	2	3	4	5
16	My manager involves me in important decisions	1	2	3	4	5
17	I get recognition for the work I do	1	2	3	4	5
18	I have the opportunity to gain personal growth and development doing my job	1	2	3	4	5
19	I have the opportunity for further training and studies	1	2	3	4	5
20	The level of communication is effective	1	2	3	4	5
21	My job is challenging	1	2	3	4	5
22	I feel that I will be able to remain working for IM/EC	1	2	3	4	5
23	My manager shares information willingly	1	2	3	4	5
24	Rewards are given when certain milestones is achieved	1	2	3	4	5
25	I fear that I might lose my job	1	2	3	4	5
26	I have the opportunity to work independently	1	2	3	4	5

## Section C – Job Satisfaction Factors

	The following factors can contribute to job satisfaction. Please encircle the number that best describe how important each factor it is to you. <b><u>Number 1</u></b> being <b><u>NOT important</u></b> and <b><u>number 5</u></b> being <b><u>VERY important</u></b> .	Not important	Somewhat important	Undecided	Important	Very Important
1	Recognition	1	2	3	4	5
2	Good Supervision/Leadership	1	2	3	4	5
3	Communication	1	2	3	4	5
4	Compensation/Pay	1	2	3	4	5
5	Good Working Conditions	1	2	3	4	5
6	Promotional opportunities	1	2	3	4	5
7	Co-Workers ( <i>technical, emotional and social support from co-workers</i> )	1	2	3	4	5
8	Job security	1	2	3	4	5
9	Opportunities for learning and growth	1	2	3	4	5
10	Responsibility and accountability for results	1	2	3	4	5
11	Stimulating tasks	1	2	3	4	5
12	Prestigious or status job	1	2	3	4	5

## APPENDIX B

Prof. A.L. Bevan-Dye

English language editing

SATI membership number: 1001760

Tel: 072 424 0933

E-mail: ayeshavevandye@gmail.com

21 October 2010

To whom it may concern

This is to confirm that I, the undersigned, have language edited the completed research of Wanda Odendaal for the Magister Technologiae thesis entitled: *Staff retention in an information management environment*.

The responsibility of implementing the recommended language changes rests with the author of the thesis.

Yours truly,

Ayesha Lian Bevan-Dye

