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The impact of demographics on voluntary labour turnover in South Africa

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ABSTRACT

This paper will demonstrate the relevance of employee demographics as extended factors in the voluntary turnover process as these models currently do not sufficiently explain the factors impacting the turnover decision. Over 1000 managers and knowledge workers were surveyed by making use of a cross-sectional questionnaire to identify potential similarities in demographics when deciding on leaving the organization. Findings indicated that various demographic factors (age, race and gender) influence whether pull- or push factors are cited in the turnover process. In addition, it was also found that the level of education has a stronger relationship to employee mobility than race, which contradicts current sentiment of the labour market. Furthermore, it is concluded that demographic factors of employees should be considered in the extension of contemporary turnover models. The findings have implications for human resource management practices in organisations which are more dependent on knowledge workers. In addition the findings have implications on current prevailing theory on voluntary turnover research.

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfillment of the requirements for the degree of Masters of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Marinus Heymann

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Signed

Date: 10 November 2010

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Abstract

This paper will demonstrate the relevance of employee demographics as extended factors in the voluntary turnover process as these models currently do not sufficiently explain the factors impacting the turnover decision. Over 1000 managers and knowledge workers were surveyed by making use of a cross-sectional questionnaire to identify potential similarities in demographics when deciding on leaving the organization. Findings indicated that various demographic factors (age, race and gender) influence whether pull- or push factors are cited in the turnover process. In addition, it was also found that the level of education has a stronger relationship to employee mobility than race, which contradicts current sentiment of the labour market. Furthermore, it is concluded that demographic factors of employees should be considered in the extension of contemporary turnover models. The findings have implications for human resource management practices in organisations which are more dependent on knowledge workers. In addition the findings have implications on current prevailing theory on voluntary turnover research.

Key words**:** Turnover, Retention, Employee, Mobility

The current context for this study

Firms face significant costs when key and senior staff members leave voluntarily. The costs include direct costs such as loss of productivity, costs of replacement and training; indirect costs include the loss of human capital, disrupted organisational processes and adjustment time for replacement employees (Morrel, Loan-Clarke, & Wilkonson, 2004; Dess & Shaw 2001) .

In South Africa, the problem of high employee turnover is exacerbated by a low supply for skilled resources (e.g. increased emigration among knowledge workers and lower standards of education), and the impact of legislation and regulations that are aimed at redressing historical racial and gender practices. Due to historical disadvantages of certain demographic groups (Africans, women and the disabled), South African companies and employees put emphasis on equality of these demographic groups in the workplace (Kotze & Roodt, 2005). These regulations in turn influence the nature of the South African labour market. It is expected that this will lead to differences in voluntary turnover rates and reasons for turnover between designated employee groups and non-designated employee groups while firms strive to comply with the legislation. This context challenges the traditional theory of voluntary labour turnover and introduces hitherto under researched variables into labour turnover. We suggest that additional demographic factors, such as age, race, gender and education could influence the decision to quit.

Models for employee turnover

Voluntary labour turnover has been subject to extensive study, most significantly by Mobley (1977), Lee (1988), Lee & Mitchell (1994), and Morrell (2008). Mobley (1977) proposed that job satisfaction was the primary determinant of voluntary turnover as an employee's dissatisfaction with his/her job would lead to thoughts about quitting. This would lead to an evaluation of the utility of searching for another job and the utility of searching for another job and the associated cost of quitting the current job. From this sequence of events an intention to search for alternative jobs will emerge and after a comparison of available jobs, the employee would then quit. Lee (1988) intended to replicate Mobley's model with more comprehensive tests and extend it by substituting job satisfaction with job commitment and involvement. The findings supported the model presented by Mobley and stated the confidence in intermediate stages between job satisfaction and employee turnover. Lee (1988) further proposed that managers should not only consider the alternatives available to employees, but also the salient alternatives to current employment.

The Unfolding model

(Lee & Mitchell, 1994) described an unfolding model of voluntary turnover that claimed that existing models of employee turnover were too simplistic and inconclusive. The previous models proposed that leaving an organisation could take place in various ways. The Unfolding model introduced the notion of shocks that jolted the employee from the current status quo. These proposed shocks were not necessarily negative or job-related but could prompt mental deliberations about leaving. The notion of scripted behaviour was also

introduced indicating that employees, once experiencing the shock, would set in a series of prescribed decision paths, eventually resulting in turnover. It was proposed that only by assessing how the turnover process evolves, researchers and managers are able to understand why individuals leave in order to plan and execute the relevant interventions to limit avoidable instances of turnover.

The theory suggested that the process of employee turnover will follow one of four decision paths based on a specific set of criteria. Each decision path elaborates on a distinct focus, psychological processes and external events influenced by either a shock or natural contributing process. The authors included both push- and pull factors of employee turnover into this model and suggested that any of the decision paths could result in both external shocks to the employee's environment, or as a function of low job satisfaction. The shocks referred to represent significant distinguishable events that disturbs the employees' status quo and forces employees "toward deliberate judgments about their jobs, and perhaps, forces them to quit", (Lee & Mitchell, 1994,60). This notion of shocks were expanded later to include the impact of job embeddedness as additional factors in the decision to leave, (Holtom & Inderrien, 2006).

Unfolding model decision paths

Table 1- The Unfolding model (Holtom & Inderrien, 2006)

	1	2	3	4A	4B
Attribute	Following a plan	Leaving without a plan	Leaving for something better	Leaving without a plan	Leaving for something better
Initiating Event	Shock	Shock	Shock	Job dissatisfaction	Job dissatisfaction
Script/Plan	Yes	No	No	No	No

Relative Job Satisfaction	No	Yes	Yes	Yes	Yes
Active Job Search	No	No	Yes	No	Yes
Example	Planned to go to law school. Quit job when accepted to law school.	Individual was passed over for a promotion. Decided to quit.	Received an unsolicited job offer that looks better than current situation. Decided to quit.	As a result of mounting job dissatisfaction decides to quit current job without looking for another job.	Accumulated job dissatisfaction results in successful job search. Finds a new job, then quits.

The decision paths are :

1. Shock to the system and a memory probe resulting in a match; a script driven decision.

A shock to the system forces the employee to evaluate the situation based on personal characteristics and previous experience. Depending how the shock is interpreted the employee draws from his- or her memory to establish a learned response or previous behaviour. In this path there is a match in the memory or a viable alternative to the current job (e.g. full time studying or retiring at sixty)This decision path requires the least mental processing and reflection and is mostly script driven.

2. Shock to the system, no match, and no specific job alternative; a push decision.

This decision path is regarded as a “Push” decision in which the shock is experienced, but there is no anticipated alternative or ‘match’ in memory that exists to guide the actions based on a plan or script. The employee evaluates his- or her current fit with the organisation that pertains to values, goals- and personal strategy. Regardless of job satisfaction in this case, the employee then

decides to quit without having any job alternatives available (e.g. an employee decides to quit based on a realised conflic of values with his or her employer).

3. Shock to the system, no match, and the presence of specific job alternatives; a pull decision.

As with the second decision path, a shock is experienced and no recollection (match) with prior experience is found. The employee however has specific job alternatives in place. In addition to this difference the shock could be negative (at the current company) or positive (a significant opportunity presented at a new organisation). The employee then evaluates his- or her values, goals- and personal strategy in relation to both alternatives (e.g. staying at the current organisation, or quitting and following the presented alternative).

4. No Shock to the System; Affect Initiated by the Employee.

This decision path is not affected by a substantial shock to the status quo, but a reevaluation of the organisational life and the employees attitude towards the organisation at that piont in time. This process of evaluation could happen more often and routinely or at random. This path may start in one of two ways. First, the individual, or the organisation could change and in effect, negatively influence job satisfaction by not aligning to the individuals expectation of values, trajectory or personal strategy. Secondly, the person could become more dissatisfied by his, or her job without making a deliberate effort to evaluate the perceived alignment between the employee and the organisation.

Push and pull factors

Lee and Mitchell (1994) describe push factors as those constructs ‘internal to the employee’ that could influence a certain behaviour or decision. These

factors have been studied predominantly by researchers focusing on the psychological factors of perceptions and attitudes. Pull theory on the other hand have been studied more by market- oriented researchers where the theory focuses more on job alternatives in the market.

Table 2 represents a summary of the various decision paths described above.

Table 2 - Summary of decision paths of the Unfolding model (Lee and Mitchell, 1994)

	Shock	
Mental Deliberations	**Present**	**Absent**
Minimal	Decision Path #1: Script Driven	-
Moderate	Decision Path #2: A push Decision	Decision Path #4A: Affect Initiated
Extensive	Decision Path #3: A pull Decision	Decision Path #4B: Affect Initiated

The unfolding model has gone through various iterations of refinement and academic improvement. Morrel *et al.* (2008) questioned the generalisability of the model as originally described by Lee & Mitchell (1999) when he found differing results when the model was applied to predominantley female nurses in the United Kingdom; Lee & Mitchell (1999) had developed the model from a sample of predominantly male accountants in the USA. Table 3 contrasts the study of Lee (1999) to that of Morrel *et al.* (2008). Both of these studies were conducted in industries which were fairly dominated by gender (69% male for accountants versus 91% female for nurses). This suggests that the decision to quit could be influenced by gender or motivation (materially driven employees compared to those with a calling). Another key issue raised by Morrel et al (2008) was the high proportion of unclassified cases (23% compared to Lee 7.4%) and the suggestion that demographics such as gender, age, labour

market composition and education may provide potential explanations of this issue.

Table 3 - Statistics comparing Lee's study (1999) to that of Morrel *et al* .(2008)

	Lee et al. (1999)	**Morrel et al. (2008)**
Population	Accountants	Nurses
Sample size	229	352
Response rate	20%	31%
Time between leaving and reading survey	30 – 60 months	2 – 14 months
Mean job satisfaction	3.39	2.84
SD job satisfaction	0.51	0.7
Demographics		
Age	40	35
Tenure	8.1 years	4.1 years
Sex	69% male	91% female
Classification Path		
1	2.60%	0.60%
2	3.10%	0
3	24%	32.70%
4a	3.50%	0.30%
4b	59.40%	43.50%
Unclassified	7.40%	23%

South African Context

South Africa's Employment Equity and affirmative action legislation has played an important role in the labour market since the mid 1990s. The South African Employment Equity Act of (1998) recognised the social disadvantages and discrimination of the apartheid regime and promoted the constitutional right of equality by introducing policies to elevate previously disadvantaged individuals. The act was amended in 2003 to include more broad based and effective

economic participation of black people in the South African economy, South African Broad Based Black Economic Empowerment Act, No 53(2003,2).

This raft of legislation and regulations primarily distinguishes between employees on the basis of demographics, most notably race and gender.

Demographic factors that could explain voluntary turnover

The most significant demographic factors that play a role in turnover are age, gender and education, which will be discussed in the following section.

Age

The age of employees has been shown to play an important part in employee commitment (Kotze & Roodt, 2005), (Mobley, 1977), job embeddedness (Tanova & Holtom, 2008) and the psychological contract and the decision to leave, (van Breukelen, van der Vlist, & Steensma, 2004). This could be explained by the notion that employees go through career stages where they priorities different aspects of their job and working environment in conjunction with their personal life (Cron & Slocum, 1986). According to Blomme, van Rheede, & Tromp (2010), age was also a significant variable that influences the decision to leave as younger respondents were more eager to leave.

Race

According to the Employment Equity Report (2004) white males had a turnover figure of 9.35%, African males and females had 29.8% and other PDIs had a turnover rate of 14.1%. This could be explained by the Employment Equity Act of South Africa that was passed on 1998 with the aim to remove barriers for those who have been denied access to jobs and education. This study was

conducted only ten years after the South African democracy was established, raising the question of representative samples from the various groups in the labour market at the time. Wöcke and Sutherland (2008) proposed that the impact of aggressive Employee Equity demonstrated in South Africa had a substantial impact on the psychological contract which impacted the groups identified in their study in terms of loyalty, focus on career development in the international market, as well as the degree to which employees felt they were impacted by this legislation. The study showed a higher turnover of African managers and their intention to leave, which the authors claimed was indicative of the strong influence of the favourable labour market due to Employment Equity legislation, despite employers attempting to build a relational or balanced psychological contract. Supporting this notion of influence of the labour market was the finding that the highest degree of loyalty was expected from white males as their perceived mobility was the lowest in the current labour market context.

Gender

Kotze and Roodt (2005) found that, in addition to age, employee gender posed significantly different perceptions in relation to organisational support, change- and transformation, remuneration and the propensity to leave. This was later supported with empirical evidence (Blomme, van Rheede, & Tromp, 2010) as the authors suggested that gender could be a moderator between the psychological contract and turnover intentions.

The ‘glass ceiling’ in the promotion path could also play a role in the decision for females to leave. According to Royalty (1998), this could be attributed to the ‘well documented’ wage gap between sexes. The study also found that turnover

patterns of highly educated women resemble that of men closer than that of less educated women.

Education

According to Trevor (2001), education is a fair reflection of marketability in the labour market. This implies that the employee has more options than his peers. Thus, this also influences the decision to quit, since there are fewer barriers to exit. This point was extended to assess the impact of an unfavourable labour market (high unemployment) and one more favourable, by which empirical finding indicated that less educated employees had a lower probability of quitting than highly educated employees. In addition, the study also suggested that poor job satisfaction had a higher influence in the decision to quit among highly educated employees than that of their less educated counterparts. In the South African context, unequal access education of previously disadvantaged individuals (PDIs) has a substantial impact on the skilled work-force (Wöcke & Klein, 2002). This combined with Employment Equity legislation had various implications for the labour market and mobility differences between whites and non-whites. Therefore, the impact of this combination also has an impact on psychological contracts, job satisfaction and employee turnover differences between these demographic groups (Blomme, van Rheede, & Tromp, 2010; Morrel, Loan-Clarke, & Wilkonson, 2004; Gaylard, Sutherland, & Viedge, 2005).

Research Methodology

The study utilised primary data gathered by executive MBA students who were asked to survey work colleagues and managers by utilising generic set of questions. The population of the research included managers and team leaders that had quit their previous jobs less than two years before and was conducted across all industries in

South Africa. A total of 1150 questionnaires were returned of which 63 were excluded due to partial completion of the questionnaires. As the number of non-returned questionnaires was not documented in previous studies, we cannot determine the overall response rate for this study.

Table 4 - Demographic breakdown of responses

Variable	Value	Frequency	Percent of Total
		Count	Frequency
Age_L1	Middle	725	66.6973
	Younger	327	30.0828
	Older	35	3.2199
Empl_L1	Average	548	50.414
	Few	510	46.9181
	Many	29	2.6679
Gender	Male	708	65.1334
	Female	379	34.8666
Mobility	Medium	660	60.7176
	Low	295	27.1389
	High	132	12.1435
Qual_L1	Medium	548	50.414
	Low	255	23.4591
	High	234	21.5271
	Undefined	50	4.5998
Race	White	457	42.0423
	African	370	34.0386
	Indian	142	13.0635
	Coloured	82	7.5437
	Asian	30	2.7599
	Chinese	4	0.368
	Missing	1	0.092
	.	1	0.092

The study utilised a quantitative research approach combined with descriptive data to describe the variables in relation to the constructs analysed. Special emphasis was placed on the questionnaire and sample that was used. The approach of retrospective self reporting enabled the study to emphasise understanding instead of prediction (Morrel & Arnold, 2007). This approach presented various advantages in that

retrospective reporting allows for direct assessment of actual incidents of turnover, not on inference. It also offers insight into the character of decision to quit and it allows for assessment of non-work factors which makes a methodical contribution allowing greater insight into the decision to quit, which is inherently complex.

Results and findings

Push and pull factors

When we compared the impact of push against pull factors as causes of voluntary turnover, we found that there was no evidence to indicate that pull factors played a more significant role in the turnover decision than push factors.

Gender and pull factors

This finding suggests that pull factors are not independent of gender. This means that employee gender does play a role in the influence of pull factors for the turnover decision. We found that males are more likely to leave due to pull factors than females (Males cited 59.7% influence from pull factors where females cited 54.6% influence from pull factors). See Appendix 1 for expanded statistics.

Table 5 - Frequency for gender and pull factors

		Gender					
		Male		Female		Total	
		Count	Column N %	Count	Column N %	Count	Column N %
Number_Pull_Factors	zero	285	40.30%	172	45.40%	457	42.00%
	one	317	44.80%	171	45.10%	488	44.90%
	2-3	106	15.00%	36	9.50%	142	13.10%
	Total	708	100.00%	379	100.00%	1087	100.00%

Race and pull factors in voluntary turnover

When we tested the impact of race as a pull factor for turnover, we found that race does indeed impact the pull factor for turnover. This could be seen in table 6 below where white respondents cited only 50.1% influence of pull factors compared to African respondents at 61.6%, Indian respondents at 69% and Coloured respondents on 67.1%.

Table 6 - Frequency for race and pull factors

		Race									
		African		White		Indian		Coloured		Total	
		Count	Column N %	Count	Column N %	Count	Column N %	Count	Column N %	Count	Column N %
Number of Pull Factors	zero	142	38.4	228	49.9	44	31.0	27	32.9	441	42.0
	one	173	46.8	183	40.0	73	51.4	41	50.0	470	44.7
	2-3	55	14.9	46	10.1	25	17.6	14	17.1	140	13.3
	Total	370	100.0	457	100.0	142	100.0	82	100.0	1051	100.0

Age and pull factors in voluntary turnover

Similar to the previous two findings, when we analysed the impact of age on pull factors, we found that age did in fact have an influence on pull factors. When looking at Table 7, one can observe that 63% of younger respondents cited pull factors compared to 57% of middle aged respondents and 31,4% of older respondents.

Table 7 - Frequency for age and pull factors

		Age							
		Younger		Middle		Older		Total	
		Count	Column N %	Count	Column N %	Count	Column N %	Count	Column N %
Number of Pull Factors	zero	121	37.00%	312	43.00%	24	68.60%	457	42.00%
	one	155	47.40%	325	44.80%	8	22.90%	488	44.90%
	2-3	51	15.60%	88	12.10%	3	8.60%	142	13.10%
	Total	327	100.00%	725	100.00%	35	100.00%	1087	100.00%

Race and employee mobility

When we conducted our analysis, we found that there was no evidence to suggest that race had an influence on employee mobility. This can also be observed in Table 8 as employee groups with, Low-, Medium-, and High mobility did not differ significantly between the different racial groups.

Table 8- Frequency for race and employee mobility

		Mobility							
		High		Medium		Low		Total	
		Count	Column N %	Count	Column N %	Count	Column N %	Count	Column N %
Race	African	50	13.51%	105	28.38%	215	58.11%	370	100.00%
	Coloured	12	14.63%	23	28.05%	47	57.32%	82	100.00%
	Indian	14	9.86%	33	23.24%	95	66.90%	142	100.00%
	White	46	10.07%	126	27.57%	285	62.36%	457	100.00%
	Total	122	11.61%	287	27.31%	642	61.08%	1051	100.00%

Level of education and employee mobility

When analysing the relationship between education and employee mobility, we found that education did have an impact on mobility; however, as observed in Table 9, those respondents with a higher skill level actually had lower employee mobility than those of medium or lower skill levels.

Table 9- Frequency for education and employee mobility

		Mobility							
		Low		Medium		High		Total	
		Count	Column N %	Count	Column N %	Count	Column N %	Count	Column N %
Qual_L1	High	84	35.90%	136	58.12%	14	5.98%	234	100.00%
	Low	66	25.88%	157	61.57%	32	12.55%	255	100.00%
	Medium	133	24.27%	342	62.41%	73	13.32%	548	100.00%
	Undefined	12	24.00%	25	50.00%	13	26.00%	50	100.00%

	Total	295	27.14%	660	60.72%	132	12.14%	1087	100.00%

Level of education and race on employee mobility

Since our two previous tests showed that employee mobility depends on level of education and not on race no test is needed to conclude that: The level of education has a larger influence on employee mobility than race.

Table 10 - Summary of research findings

Research Questions	Findings
Do pull factors have a higher impact on employee turnover than push factors?	Pull factors do not have a higher impact on employee turnover than push factors
Does employee gender have an influence on pull factors in employee turnover?	Gender does have an influence on pull factors in employee turnover
Does employee race have an influence on pull factors of employee turnover?	Race does have an influence on pull factors in employee turnover
Does employee age have an influence on pull factors of employee turnover?	Age does have an influence on pull factors in employee turnover
Does employee race have an influence on employee mobility?	Employee race does not have an influence on employee mobility
Does education have an influence on employee mobility?	Level of education has an influence on employee mobility
Does education have a larger influence on employee mobility than the labour market?	The level of education has a larger influence on employee mobility than race

Discussion

This study found that push and pull factors have a fairly similar influence on voluntary labor turnover. Although this might not be a substantial finding within its context, this result could be due to the dynamic labour market currently seen in South Africa. Future research could elaborate on this notion in a different labour context to assess contextual validity.

This study found that gender has an impact on push and pull factors in the turnover process. We found that males are more likely to leave due to pull factors, and females due to push factors. This could be as a result of the

differences in psychological contracts between males and females (Blomme, van Rheede, & Tromp, 2010) as well as the glass ceiling as a factor for females to leave for ideological reasons (Royalty, 1998).

We also found that race had an impact on pull and push factors. This finding supports the results of Wöcke and Sutherland through finding that PDIs are generally more prone to leave due to pull factors as a result of the favourable labour market, Wöcke & Sutherland (2008) and that whites leave more as a result of push factors in the current organisation.

Age was also identified as a variable that could influence push and pull factors in the decision to leave. This could be as a result of a favourable labour market for skilled PDIs newly introduced to the workforce as well as different priorities setting in at various life stages, supporting the theory from Cron & Slocum, (1986:119).

An interesting finding was the result that race did not have an impact on employee mobility as was expected. This contrasts the notion of higher turnover rates among different race groups documented in the South African Employment Equity Report (2004), which either suggests that the labour market is being balanced over time or that managers and knowledge workers follow different turnover patterns than the general population.

We found that education or skill level did have an impact on employee mobility which could be aligned the previous finding of age influencing push and pull

factors among managers. As can be expected, there is a relationship between age and skill, which both could explained by the influence of priority through various life stages.

Lastly this study has shown that the level of education has a greater impact on employee mobility than race, which has various implications for future mental models and psychological contracts.

Implications on theory

In the first section of this paper we suggested that the current models of turnover covered too few variables and that demographics could serve as a missing group of variables that could increase the accuracy of these models. We specifically referred to the Unfolding model as introduced by Lee & Mitchell (1994) as well as the subsequent extension introduced by Morrel *et al.* (2008). Our results show that demographics such as age, gender and race do play a role in the turnover decision, thus supporting (Cron & Slocum, 1986:119) on the impact of age, (Blomme, van Rheede, & Tromp, 2010) and (Royalty, 1998) on the impact of gender, and Wöcke & Sutherland (2008) on the impact of race.

We also found that employee mobility could be influenced by level of education, but not by race, which could serve as a basis for future research.

Implications for management

The findings of this paper indicate the need for revision of contemporary retention models that can be tailored based on employee demographics and employee education. This implies that the variables such as age, gender, race and education should be reassessed in the psychological contract to ensure realignment between employees and the organization.

Conclusion

This study set out to suggest that conventional turnover models were incomplete as they failed to categorise a large number of respondents in previous studies. Lee (1999) found 7.4% unclassified cases where Morrel *et al*. (2008) had 23%. We then analysed secondary data from 1087 managers and knowledge workers across various industries for the impact of demographics on push- and pull factors as well as on employee mobility. We found that age, race and gender had an impact on the prevalance of push or pull factors in the turnover process. In addition, we also found that the level of education had a larger impact on employee mobility than that of race.

Lastly, we noted that the research could contribute to the current body of knowledge to extend current turnover models to incoporate demographic factors in order to increase their precision.

Research limitations and recommendations for future research

The aim of this research project was to collate and consolidate different data sets of previous studies in order to enrich the data and draw more substantiated conclusions. The project was constrained to the specific set of questions pertaining to the previous study. This could compromise additional insight to the problem if the original questions are too generic. The data was gathered in November 2008 which was at the beginning of the international credit crisis. Due to the findings above, and the impact of the crisis, there could be significant changes to the labour market as well as the impact on turnover decisions. This warrants further investigation through potentially conducting a longitudinal study on the factors of turnover within the South African context. Because no specific record of individuals were kept for this study, it is impossible to track possible

changes in employee sentiment that could have been affected by the prevailing economic climate.

There is no distinction between high-and low performing employees. As mentioned in the section for human capital above, some employees are more valuable than others in a certain context. Ideally, the population for this study should include only the medium- and high-performing employees that the organisation needs to retain. Adding the performance dimension to a subsequent study could increase the understanding of the turnover decision by viewing performance from both the employee perspective as well as that from the organisation. This could reduce the subjectivity of the employee when relying on post-exit interviews and build on the human capital element to maintain inside the organisation.

In addition to the considerations mentioned above, this study did not consider the impact of the industry in which these organisations operate to find any potential relationships to the turnover process.

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Appendix 1 - Extended data analysis

Push and pull factors

For this hypothesis, the data was transformed to better address the question. In the data set there are 2 variables *pull* and *push*. These variables were combined as follows:

New Variable = 1 if Pull > Push, else 0. The implication is to end with a new variable containing only 1s and 0s. Then we define a success as 1 (Pull >Push). So we test for the probability of a success in n (sample size) independent trails of a Bernoulli experiment. (Zikmund, 2003). This means that H_0 : p > 0.5 (The proportion(p) of pull factors is greater than the proportion of push factors, or more than 50% of people said pull factors are more important than push factors. H_1: p ≤ 0.5. We then reject H_0 if $\left|\frac{\hat{p}-p_0}{\sqrt{\frac{p_0(1-p_0)}{n}}}\right| > Z_{0.975}$ based on a 0.05 significance level.

*$Z_{0.975}$ = 1.96 you get from the standard normal tables or Excel.

Now $\hat{p} = \frac{\sum x}{n}$ = 0.370745 ($\sum x$=number of 1s in new variable, n =sample size) and $p_0 = 0.5$, So $\left|\frac{\hat{p}-p_0}{\sqrt{\frac{p_0(1-p_0)}{n}}}\right| = \left|\frac{-0.129255}{0.01516521}\right|$= 8.5230077. Thus since 8.5230077 > 1.96 we reject the H1.1a.So at a 0.05 significance level *pull* factors do not have a higher impact on Employee turnover than *push* factors.

Gender and pull factors

Hypothesis 1.2a: Gender has an influence on pull factors in employee turnover;

Hypothesis 1.2b: Gender does not have an influence on pull factors in employee turnover

For this problem we use Pearson's independence test.

H_0: Pull factors are independent of gender.

H_1: Pull factors are indeed dependent on gender.

Choose significance level ($\propto = 0.05$).

Table 11 - Pearson Chi square test for gender and pull factors

		Gender
Number of pull factors	Chi-square	7.211
	df	2
	Sig.	.027*

Note that results are based on non-empty rows and columns in each innermost sub table; the Chi-square statistic is significant at the 0.05 level and respondents who have 2 and 3 pull factors were combined as 2-3, since the sample size is too small for those respondents who have mentioned 3 pull factors. Since the p – value (0.027) is less than 0.05, we reject H_0 at a 0.05 significance level. This finding suggests that pull factors are not independent of gender.

Race and pull factors in voluntary turnover

This works exactly the same as in previous problem. For this problem we use Pearson's independence test. H_0: Pull factors are independent of Race. H_1: Pull factors are indeed dependent on Race. Choose significance level ($\propto = 0.05$).

Table 12 - Pearson Chi-square tests for race and pull factors

	Race

Number of pull factors	Chi-square	25.282
	df	6
	Sig.	.000*

Note that results are based on non-empty rows and columns in each innermost sub table; The Chi-square statistic is significant at the 0.05 level and Asian respondents have been excluded since sample sizes were too small. It however makes no difference to the conclusion. Since the p – value (0.000) is less than 0.05, we reject H_0 at a 0.05 significance level. This finding suggests that pull factors are not independent of Race.

Age and pull factors in voluntary turnover

Hypothesis 1.4a: Age has an influence on pull factors of employee turnover.

Hypothesis 1.4b: Age does not have an influence on pull factors of employee turnover

For this problem we use Pearson's independence test. H_0: Pull factors are independent of Age. H_1: Pull factors are indeed dependent on Age. Choose significance level ($\propto = 0.05$).

Table 13 - Pearson Chi-square tests for race and pull factors

		Age
Number of pull factors	Chi-square	14.87
	df	4
	Sig.	.005*

Note that results are based on non-empty rows and columns in each innermost sub table; The Chi-square statistic is significant at the 0.05 level and since the p –

value (0.005) is less than 0.05. we reject H_0 at a 0.05 significance level. The finding suggests that pull factors are not independent of Age.

Race and voluntary turnover

Hypothesis 2.1a: The labour market (race) has an influence on employee mobility;

Hypothesis 2.1b: The labour market (race) does not have an influence on employee mobility.

For this problem we again use Pearson's independence test. H_0: Employee mobility is independent of Race. H_1: Employee mobility is indeed dependent on Race. Choose significance level ($\propto = 0.05$).

Table 14- Pearson Chi-square tests for race and employee mobility

		Mobility
Race	Chi-square	5.795
	df	6
	Sig.	0.447

Note that results are based on non-empty rows and columns in each innermost sub table. Since the p – value (0.447) is greater than 0.05 we cannot reject H_0 at a 0.05 significance level.

The finding suggests that there is no evidence that the labour market has an influence on employee mobility.

Level of education and employee mobility

Hypothesis 2.2a: Level of education has an influence on employee mobility;

Hypothesis 2.2b: Level of education does not have an influence on employee mobility. For this problem we use Pearson's independence test. H_0: Employee

mobility is independent of level of education. H_1: Employee mobility is indeed dependent on level of education. Choose significance level ($\propto = 0.05$).

Table 15- Pearson Chi-square tests for education and employee mobility

		Mobility
Qual_L1	Chi-square	25.98
	df	6
	Sig.	.000*

Note that results are based on non-empty rows and columns in each innermost sub table. The Chi-square statistic is significant at the 0.05 level. Since the p – value (0.000) is less than 0.05 we reject H_0 at a 0.05 significance level. The finding suggests that the level of education has an influence on employee mobility.

Level of education and race on employee mobility

Hypothesis 2.3a: Level of education has a larger influence on employee mobility than the labour market.

Hypothesis 2.3b: Level of education does not have a larger influence on employee mobility than the labour market.

Since our two previous tests showed that at 0.05 significance level Employee mobility depends on level of education and not on race no test is needed to conclude that: The level of education has a larger influence on employee mobility than race.

Appendix 2 – Data aggregation dimensions

The following tables represent the method of aggregation, or standardization of data into more usable categories.

Table 16 - Age dimension aggregation levels

Age Level 1	Age Level 2	Age Level 3
Younger	21-30	Detail
Middle	31-40	Detail
Middle	41-50	Detail
Older	51-60	Detail
Older	60+	Detail

Table 17 - Qualification dimension aggregation levels

Education Level 1	Education Level 2	Education Level 3
Low	Diploma	Detail
Low	Matric	Detail
Low	Post Graduate Certificate-/Diploma	Detail
Medium	Honours	Detail
Medium	Bachelors	Detail
Medium	BTech	Detail
High	CA	Detail
High	Doctoral/PHD	Detail
High	Masters	Detail
High	MBA	Detail
High	Mtech	Detail

Table 18 – Number of employers dimension aggregation levels

Employee Jobs Level 1	Employee Jobs Level 2	Employee Jobs Level 3
Few	1-3	Detail
Average	4-6	Detail
Average	7-9	Detail
Many	10-12	Detail
Many	13+	Detail

Table 19- Job mobility dimension calculation

Job Mobility (Age*Employers)	Age_Level 1	Employee_Level 1
Low	Middle	Few
Low	Older	Few
Medium	Younger	Few
Medium	Middle	Average
Medium	Older	Average
Medium	Older	Many
High	Younger	Average
High	Younger	Many
High	Middle	Many

Table 20 - Turnover category dimension aggregation levels

Push/Pull	Level 2	Detail
.		Duplicate
Pull	Growth	Better Opportunity
Pull	Growth	Head Hunted
Pull	Growth	Frustration with Job Growth/ Opportunities
Pull	Growth	Limited Growth Opportunity
Pull	Growth	Wanted a career change
Pull	Growth	Career Growth
Pull	Rewards	Money
Push	Forced	Relocated
Push	Forced	Retrenched
Push	Forced	Temp Contract Ended
Push	Forced	Company Restructured
Push	Job Satisfaction	Work - Life Balance
Push	Job Satisfaction	Motivation
Push	Job Satisfaction	Boredom
Push	Job Satisfaction	Job Satisfaction
Push	Job Satisfaction	Stagnation
Push	Job Satisfaction	Wanted to Specialise

Push/Pull	Level 2	Detail
Push	Job Satisfaction	Wanted to Specialise Less
Push	Job Satisfaction	Not challenging enough
Push	Job Satisfaction	Excessive Travel
Push	Job Satisfaction	Recognition
Push	Personal Reasons	Employment Equity
Push	Personal Reasons	Frustration with Management
Push	Personal Reasons	Bureaucracy
Push	Personal Reasons	Politics
Push	Personal Reasons	Poor Leadership
Push	Personal Reasons	Unpleasant Working Environment
Push	Personal Reasons	Conflicting Values with Company
Push	Personal Reasons	Lack of Cultural Fit
Push	Personal Reasons	Personal Reasons

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_____ Date: _____

Marinus Heymann

GIBS LITERATURE REVIEW

1. The knowledge worker and the knowledge economy

The term 'Knowledge Worker', coined by Peter Drucker in 1959 was described as '…employees who carry knowledge as a powerful resource which they, rather than the organisation own, Drucker (1989).' Drucker (1993) argued that knowledge is the systemic integration and accepted processes of application in an evolving craft. The role of capitalism in the future will gravitate towards the value added by the services of based on applied knowledge and innovation. In essence, he states that the role of the knowledge worker will continue to become more important as we evolve to a more service or knowledge based society.

2. Human capital, intellectual capital and intellectual property risk

Through various facets of globalisation and a shift toward a borderless society, the world is moving toward the knowledge society which emphasises intellectual capital, intellectual property and human capital. Edvinsson and Malone (1998, p 48) define human capital as "The combined knowledge, skill, and innovativeness to meet the tasks at hand. It also includes company values, culture and philosophy that cannot be owned by the company". Therefore, a key consideration for companies is the potential value of investment (salary, education and mentorship) lost when a knowledge worker decides to leave.

Contrary to the argument of retaining employees with high intellectual capital, a calculation must be made as to the actual value of this intellectual capital. At some

stage, it becomes too expensive to retain an individual and the organisation could afford to source the talent (or experience) elsewhere.

In addition to loosing the investment, experience and potential articulated as intellectual capital when an employee decides to leave, companies run the increased risk of losing intellectual property contained in that employee. Regardless of intellectual property rights and legislation, a person that has potential knowledge of the organisational processes, strategies, negotiation parameters and offerings could go work for the competition.

3. Job satisfaction

Mobley (1977) introduced the relationship between job satisfaction and employee turnover. In this theory, he proposed that job satisfaction lead employees:

1. To think about quitting, which may in turn lead that employee
2. to evaluate the expected utility of searching for another job and the costs associated with quitting the present job. From that evaluation,
3. an intention to search for alternative jobs may emerge, which in turn likely leads the employee
4. to the actual searching for alternative jobs and
5. to the evaluation of the acceptability of any identified alternatives. From that second evaluation, the employee would likely
6. compare those alternatives to the present job, which in turn can lead to
7. an intention to quit, and eventual employee turnover.

This paper only presented a theory however. It did not provide any empirical findings. Later, Lee (1988) intended to extend Mobley's model by introducing organisational commitment and job involvement. In this paper, Lee replicated Mobley's model, but substituted organisational commitment for job satisfaction. He also substituted job involvement for satisfaction. This resulted in both an empirical confirmation for Mobley's model as well as the validity of various stages between job satisfaction and employee turnover. Lee highlighted the notion that managers should consider salient alternatives available in addition to current alternatives available to employees.

4. The Unfolding model of employee turnover

Lee, & Mitchell (1994) introduce the Unfolding Model of Employee Turnover which aimed to present a more general theory for voluntary turnover based on earlier work and to discuss the empirical issues involved in the measurement of this model. The paper also drew the contrast between the psychological push factors and market related pull factors that are considered by employees in the turnover process. The paper also integrated the image theory of decision making into the model. The basic premise of the model was that the decision to leave was not the result of negative attitudes towards the organisation, but the result of a shock or event that forced the employee out of inertia.

The concluding propositions for this theory, later to be substantiated were:

1. The existing models of employee turnover are too simple; leaving an organisation can take place in many ways;
2. One of the major precipitating events for employee turnover is the shock to the system - an event that prompts an individual to evaluate his current job;
3. Shocks are not only negative or job-related and can prompt mental deliberations about leaving
4. In some cases individuals leave because the shock results in scripted behaviour
5. Some employees leave organisations without considering alternatives; the central choice is to stay or leave the present company
6. Employees could make decisions about staying or leaving an organisation based on fit or compatibility criterion
7. Only by assessing how the turnover process evolves, can researchers and managers understand why individuals leave"

The paper also highlighted topics for future research, including types of shocks; Images and fit; multiple and recurring shocks; and factors affecting the onset of decision paths.

Morrell, Loan-Clarke & Wilkinson (2004a) subsequently sought to substantiate the Unfolding Model with empirical study and focused on the role of shocks in employee turnover. They also focused on ‘voluntary’ turnover since individual choice is emphasised.

Table 21 – The Unfolding model hypotheses and findings (Morrel *et al*, 2004a)

#	Hypothesis	Findings
H1a.	Shocks that are expected are most likely positive, personal and result in decisions to quit that are unavoidable.	Confirmed with corroborating evidence.
H1b.	Shocks that are negative are more likely to be work-related and associated with dissatisfaction. They are more likely to affect others and result in decisions to quit that are unavoidable.	
H1c.	Shocks that are more work-related will less likely to be salient. They will be more likely to be associated with dissatisfaction and search for an alternative, and results in decisions to quit that are avoidable.	
H1d.	Shocks that have more influence on the decision to quit are more likely to be salient. The duration of decision time (from thoughts of quitting to finally leaving) will be shorter.	
H1e.	Shocks that are more specific are more salient, and result in decisions to quit that are unavoidable	
H2.	There will be different clusters of shock, which reflect work and non-work domain variables.	Different Clusters of Shock confirmed
H3a.	Leavers' cluster membership will be consistent with their description of their reason for leaving.	Confirmed
H3b.	Leavers' cluster membership will be consistent with their response to the shock item."	Confirmed

In addition to the findings above they also alluded to the expansion of turnover research to include a multi dimensional approach by clustering employees based on shock and image theory.

5. Organisational change and employee turnover

Later that year, Morrell, Loan-Clarke & Wilkinson (2004b) expanded their work to explore the relationship between organisational change and employee turnover. The aim of this study was to determine how and why organisational change can result in differential rates of turnover.

Table 22 - Organisational change impacts hypotheses and findings (Morrel *et al*, 2004b)

#	Hypothesis	Findings
H1.	Shocks will feature in a substantial number of cases of turnover	Supported
H2.	Shocks will be highly influential in terms of the final decision to quit	Supported
H3.	Decisions initiated by shocks will be more salient	Supported
H4.	Decisions initiated by shocks will be more avoidable	Supported

In addition to the findings above the paper concluded that shocks do play a role in many cases where employees decide to leave and shocks have a substantial influence in the final decision to leave, decisions to quit are prompted by a more salient shock, and decisions to quit are prompted by a shock that is typically more avoidable. The authors also stressed in this paper that organisations do not consider or underestimate the avoidable shocks throughout the change management initiatives, which results in unnecessary employee turnover.

6. Factors of retention

Sutherland & Jordaan (1994) aimed to identify factors affecting the retention of knowledge workers. They defined “high levels of worker mobility” as a defining characteristic of the knowledge economy (Sutherland & Jordaan, 1994, P63).

Table 23 – Hypotheses and findings for retention of knowledge workers (Surtherland and Jordaan, 2004)

#	Hypothesis	Findings
H1.	Relationship between job satisfaction, organisational commitment and intention to leave.	Supported
H2.	Variables and factors affecting retention cognitions.	Supported
H3.	Can knowledge workers be segmented based on their retention cognitions?" "Psychological contract doesn't hold for knowledge workers.	Supported

Table 24 - Reasons for knowledge worker turnover (Sutherland and Jordaan, 2004)

#	Variable Mean	Findings
1	Lack of challenging work	3.53
2	Your level of trust in management	3.46
3	Lack of career development opportunities	3.42
4	Incentive/bonus/variable pay	3.37
5	Base pay	3.37
6	Individual recognition & praise being given	3.36
7	Freedom to work independently	3.33
8	Career planning by the organisation	3.29
9	Relationship with your immediate boss	3.25
10	Issues you have raised being unattended	3.25

Criticism for this paper indicates the population is not representative (the study was conducted on only part-time students) and the results are based on perceptions and not on actions. This means that employees can apply cognitive distortion in answering the questions in the way they perceive themselves and not events that actually occurred.

7. Employee commitment

Kotze, K., & Roodt, G. (2005) explored the notion of an employee commitment model that investigated retention factors for specialist staff. It also ventured to identify the differences between labour market, gender, age and service tenure.

The study involved interviews with the 60 highest remunerated staff in two major South African banks where the overall population was not mentioned. A key limitation raised by the authors was that the study could not be representative to the financial sector in South Africa or the rest of the South African workforce due to the specific nature of the sample and sample size.

The study found that the major factors affecting retention were organisational commitment; employer of choice perceptions, organisational climate and employee well being. The study also suggested that previously disadvantages individuals (PDIs) had different perceptions from non-PDI individuals. The authors suggested that these individuals saw their appointments as tokenism and that they had the impression that they were underpaid as companies did not truly value their diversity. In addition to the above-mentioned findings, the study also indicated that there were significant differences in age and gender perceptions in relation to organisational support, change and transformation, remuneration and the propensity to leave.

In 2005 Morrel expanded on his previous work with the premise indicating that the decision to leave were a result of a single jarring shock. The study used the same

hypotheses as Lee (1999) and was conducted on nurses in the United Kingdom with the following findings listed below (Morrell, 2005):

1. Interventions to reduce turnover should be targeted;

2. Exit interviews must be conducted to construct leaver profiles to identify the balance between kinds of turnover;

3. Given the amount of work-related shocks that result in avoidable turnover, companies must consider different focused interventions (or change initiatives) to avoid this;

4. Non-work domain variables had an important influence in the precipitation of turnover

The findings were based on one study with questionable generalisability due to the limited focus on one industry.

Trevor, Hausknecht and Howard (2007) changed the context of the study by looking at turnover while differentiating between high and low performing employees. This enabled subsequent studies to formulate focused retention strategies based on performance.

Table 25 - Hypothesis and findings for turnover in high- and low performers (Trevor et al, 2007)

#	Hypothesis	Findings
1	Job performance will be positively related to the importance of pay and advancement opportunity as leavers' quit reasons	Supported
2	Job performance will be negatively related to the importance of failure to understand the job, increased job demands, one's supervisor, and an absenteeism policy as leavers' quit reasons	Supported

3	High performing leavers will rate pay and opportunity for advancement as more important to quitting than other reasons	Partially Supported
4	Pre-quit job performance will be positively related to post-quit employment	Supported
5	Pre-quit job performance will be positively related to attributing quitting to the appeal of a better job elsewhere (as opposed to something negative about the old job)	Supported
6	Pre-quit job performance will be positively related to new-job pay and new-job advancement opportunity	Not Supported
7	The positive relationships between pre-quit job performance and the new-job's pay and advancement opportunity will be more evident when tenure is low	Supported
8	The positive relationship between pre-quit job performance and new-job pay will be less evident for women and non-Whites	Race was Supported, Gender not
9	The positive relationship between pre-quit job performance and new-job advancement opportunity will be more evident for management and salaried employees	Supported

Two limitations mentioned by the authors were that the dependent variables did were not sensitive enough to allow for sufficient variance to isolate the different predictors and secondly, the study was not generalisable as it was confined to one industry.

8. Retrospective self reporting

In 2007, Morrell and Arnold advocated the value of retrospective reporting of employee turnover. They criticized contemporary methodology of studying labour turnover as emphasis was placed on prediction and not on understanding, Morrell, K. & Arnold, J. (2007). In addition, the authors cited the advantages of retrospective self-reporting among leavers:

1. Retrospective reporting allows for direct assessment of actual incidents of turnover, not on inference;

2. It offers insight into the character of decision to quit;

3. It allows for assessment of non-work factors which makes a methodical contribution allowing greater insight into the decision to quit, which is inherently complex.

The work also emphasised that focused management interventions could benefit substantially be having evidence of the actual decision to leave, which will enable subsequent research in the area. One limitation to the newly proposed method was that retrospective recollection did leave room for forgetting or neglecting certain key elements to the turnover process.

9. Job embeddedness

In 2008, Tanova, C, and Holtom, B investigated the notions of Job Embeddedness Factors to explain employee turnover. They believed that the individual's decision to leave was based not only on the attitude towards work, but various social aspects surrounding the work environment.

Table 26 - Hypothesis and findings for job embeddedness (Tanova and Holtom, 2008)

#	Hypothesis	Findings
1	Age and income will be negatively related to turnover	Supported across countries. Age reduces the likelihood of changing jobs (for every additional year, the probability for turnover reduces by 9%). As income increased, there is a decrease in likely turnover.

2	Desirability and ease of movement factors as well as withdrawal behaviours will predict variance in turnover beyond that explained by demographic variables and income	"Higher education also increased the likelihood of turnover, while job satisfaction and the unemployment rate reduced it." – p1564
3	Job embeddedness factors will improve the prediction of turnover beyond demographic factors, income, desirability and ease of movement and withdrawal behaviours	Supported. Turnover is also influenced by relationships both on- or off the job - this appears to be generalisable across continents given the sample.

Limitations of the study:

- "The dataset was not designed to specifically test for job-embeddedness. Lack of greater country and culture representation (the study was limited to 4 countries)" (Tanova & Holtom, 2008, p1576)
- "In our population there were no significant differences between the groupings in terms of job satisfaction, yet African respondents showed a significantly higher propensity to find a new job in the short-term. This is consistent with the views of the Corporate Leadership Council (1999), who reflect that the link between employee satisfaction and intention to leave is weakening as increasingly highly satisfied employees leave their organisations for new opportunities"

Morrel, Loan-Clarke, Arnold and Wilkonson (2008) later elaborated on their earlier work in refining the Unfolding model. The authors identified specific areas for improvement in the unfolding model:

- The model used one item to tap more than one construct
- The original survey does not ask leavers why they left

- The model relies too heavily on dichotomous measures
- In terms of shocks, leavers were not asked about the specific event in a scaled manner.

Table 27 - Hypothesis and findings for the extended Unfolding model (Morrel et al, 2008)

#	Hypothesis	Findings
1a	1a. The duration between the first thoughts of quitting and a decision to leave will be shorter in path 3 than in path 4b.	Corroborated with original study
1b	1b. The duration between a decision to leave and actual quitting will be shorter in path 3 than in path 4b	Not Corroborated, significantly longer
2	2. Path 3 is positively associated with work-related shocks	Strong Support
3a	3a. Job satisfaction will be higher in path 3 than in path 4b	Not supported.
3b	3b. Job satisfaction is negatively correlated with image violation	Supported

Another finding from this study was the notion that leavers were more likely to be classified by the unfolding model where the decision was avoidable and they had no dependents.

Although the hypotheses were partially supported, the data did not support a revised version better than the current model (23 % of all leavers were unclassifiable). The findings were also still not generalisable since the study was again conducted in one industry. The authors also listed the potential problems arising from retrospective self- reporting (this built on previous work advocating retrospective self reporting of actual leavers (Morrel & Arnold, 2007)). The problem with retrospective self-reports listed retrospective rationalisation, faulty attributions,

oversimplification, memory lapses. Future research was recommended to include company reports, assessment of the labour market could be incorporated (gain compared to loss).

10. Performance based turnover

In 2009, Hausknecht, Rodda and Howard continued exploring Employee Performance and Job- Related differences in turnover decisions in the attempt to increase the focus of targeted retention, thus expanding on earlier work (Trevor, Hausknecht, & Howard, 2007). The authors claimed that job satisfaction, extrinsic rewards, constituent attachments, organisational commitment and organisational prestige were the more common reasons for staying, claiming that these factors would be different between high- and low performers, (Hausknecht, Rodda, & Howard, 2009).

Table 28 - Hypothesis and findings for performance based turnover (Hausknecht et al, 2009)

#	Hypothesis	Findings
1	High Performers will cite retention factors that indicate low desirability of movement (advancement opportunities, constituent attachments, extrinsic rewards, flexible work arrangements, job satisfaction, location, non-work influences, organisational commitment and organisational prestige) at a higher rate than low performers. Low performers will cite factors that reflect low ease of movement at a higher rate than high performers (investments, lack of alternatives).	Mixed support
2	Hourly employees are expected to cite transactional factors (extrinsic rewards, flexible work arrangements) at a higher rate than managerial and professional employees. Managerial and professional employees are expected to cite relational factors (as above) at a higher rate than hourly employees	Supported.

The authors noted market related-, demographic- and behavioural factors for employee retention were to be considered in future research as they could have substantial influence in the decision- making process.

In 2010, Blomme, Rheede and Tromp tried to use the concept of the psychological contract to explain turnover intentions. The study was conducted on highly educated employees in the hospitality industry with a specific focus on the impact of gender on turnover intentions.

Table 29 - Hypothesis and findings for psychological contract factors in turnover (Blomme et al, 2010)

#	Hypothesis	Findings
1	There is a relation between the psychological contract and the turnover intentions of employees working in the hospitality industry	Supported
2a	There is a relation between affective commitment and the turnover intentions of employees working in the hospitality industry	Supported
2b	Affective commitment is a mediating variable for the relation between the psychological contract and the turnover intentions of employees in the hospitality industry	Supported
3	Gender is a moderator for the relation between the psychological contract and turnover intentions of employees in the hospitality industry	Supported

This study demonstrated the value of measures in the psychological contract to explain not only key factors that influence the decision to leave, but also the variance among different employees in their intention to leave their organisation. The study also revealed that different factors might influence the decision to leave

comparing males and females. In addition, age was also a 'significant' variable as younger respondents were more eager to leave the organisation. The most significant predictor of the intention to leave however was job content as this factor spanned across both the gender- and age barriers.

As all variables were measured at a specific point in time, there was no merit in claiming causality for these result, as this should be tested through a longitudinal study.

11. New psychological contract

In 2001, Lee introduced the notion of the new psychological contract to supplement existing models of staff retention. This study proposed a shift from the historical psychological contract towards a more transactional (short- term) contract. The propositions introduced for future research included:

RP1. Actual turnover and intent to turnover will be lowest for 'Full Retention' relationships (see Proposition 7 for extension)

RP2. Research Proposition 2: Employees in 'Full Flexibility' relationships will have higher job satisfaction and commitment than those in 'Rebellion' relationships (see below)

RP3. There will be a higher incidence of rebellion behaviours (described above) for the 'Rebellion' type relationships than those of any other

RP4. The use of retention programs will be negatively related to intent to turnover for ‘Full Retention’ relationships, but positively related to intent to turnover for ‘Manipulation’ relationships

RP5. Manipulation behaviours (as described above) will occur most frequently for ‘Manipulation’ type relationships, second most frequently for ‘Full Retention’ relationships and least for the buy-type organisation paradigms

RP6. There will be a lower incidence of manipulation behaviours in organisations with advanced recruiting and selection programs designed for employee organisation fit (such as realistic job previews)

RP7. Actual turnover and intent to turnover will be lowest for ‘Full Retention’ relationships, second lowest for ‘Manipulation’ relationships, third lowest for ‘Full Flexibility’ relationships and highest in ‘Rebellion’ relationships"

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