

RETENTION PREFERENCES FROM A MULTI-GENERATION WORKFORCE PERSPECTIVE: THE RELATIONSHIP BETWEEN TOTAL REWARDS, PERCEIVED ORGANISATIONAL SUPPORT AND PERCEIVED SUPERVISOR SUPPORT

by

WILMIEN ANDREA SMIT

Submitted in partial fulfilment for the degree

MAGISTER COMMERCII
(Industrial Psychology)

in the

FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES

at the

UNIVERSITY OF PRETORIA

Supervisor: Prof K Stanz

PRETORIA SEPTEMBER 2013



ABSTRACT

RETENTION PREFERENCES FROM A MULTI-GENERATION WORKFORCE PERSPECTIVE: THE RELATIONSHIP BETWEEN TOTAL REWARDS, PERCEIVED ORGANISATIONAL SUPPORT AND PERCEIVED SUPERVISOR SUPPORT

Orientation: Currently there is much debate whether modifying traditional reward packages to focus on the preferences of multi-generations would be essential in attracting, motivating and retaining talent. Total Reward factors, Perceived Organisational Support and Perceived Supervisor Support are distinct but related concepts, and all of them appear to influence an employee's decision to stay at an organisation.

Research purpose: The objective of this study was to identify the different total reward components which multi-generations prefer as most important for retention. In essence, the study aims to establish possible relationships between multi-generations' Total Reward components, Perceived Organisational Support (POS), and Perceived Supervisor Support (PSS).

Motivation for the study: This study is useful as it conducts a contemporary retention exploration that considers both the emerging demographic workforce shift and the new paradigm shift towards talent management. An enriched understanding of retention preferences that influences organisational commitment may benefit the organisation who wants to retain their valuable talent.

Research Methodology: A quantitative, cross-sectional research design with convenience sampling was used. Data were gathered from employees (N = 303) at different industry sectors in South African organisations, using the Total Reward Scale (based on WorldatWork's total reward model) and the Perceived Organisational Support Scale (SPOS), and the Perceived Supervisor Support Scale (SoPSS).

Main findings: The results showed that performance management and remuneration are considered to be the most important retention factors among multi-generation groups. The



study revealed Cronbach Alpha's of 0.82, 0.92 and 0.95 for the total reward scale, SPOS and SoPSs respectively.

Differences between total reward preferences and demographical variables which include age, gender, race, industry and job level, were found. Moreover, differences between total reward preferences, Perceived Organisational Support (POS) and Perceived Supervisor Support (PSS) and demographical variables which included race, industry, job level were found.

The findings of the study indicates a strong practically significant positive correlation ($r_{(df=237, p>0.001)} = 0.298$, medium effect) between Total Reward components and POS. A strong practical significant positive relationship ($r_{(DF=233, p>0.001)} = 0.250$, medium effect) was found between Total Reward and PSS. The study confirmed a strong practically significant positive correlation ($r_{(df=230, p>0.001)} = 0.662$, large effect) between POS and PSS in this study. This indicates that an increased perception of organisational support can be associated with an increased perception of Supervisor Support. Multiple regression confirmed that only race groups and job level groups mediate/moderate the relationship between Total Reward and POS as well as Total Reward and PSS.

Practical/managerial implications: Managers or HR practitioners should design their reward packages by taking employees preferences into account. More specifically, HR practitioners should focus on remuneration, performance management and development opportunities in order to retain scarce skills.

Contribution/value additions: The study on retention preferences of different demographic groups within the South African context adds considerably to the existing body of literature. The results of the study can assist managers and HR practitioners to design effective retention strategies, while also providing crucial information for the retention and motivation of employees.

Keywords: talent, retention preferences, multi-generations, total rewards model, perceived organisational support, perceived supervisor support.



DECLARATION OF ORIGINAL AUTHORSHIP

I, Wilmien Smit, declare that the retention preferences for a multi-generation workforce in South Africa organisations are my own unaided work both in content and execution. All the resources I used in this study are cited and referred to in the reference list by means of a comprehensive referencing system. Apart from the normal guidance from my study leaders, I have received no assistance, except as stated in the acknowledgements.

I declare that the content of this thesis has never been used before for any qualification at any tertiary institution.

I, Wilmien Smit, declare that the language in this thesis was edited by Wilna Liebenberg (MA Applied Linguistics).

Wilmien Smit	Date: 30 September 2013
Signature	



TABLE OF CONTENTS

С	HAPTI	ER 1: INTRODUCTION AND BACKGROUND	1
	1.1	INTRODUCTION	1
	1.2	BACKGROUND	1
	1.3	PROBLEM STATEMENT	4
	1.4	PURPOSE STATEMENT	6
	1.5	RESEARCH OBJECTIVES	6
	1.6	ACADEMIC VALUE AND CONTRIBUTION OF THE PROPOSED STUDY	8
	1.7	DELIMITATIONS	8
	1.8	ASSUMPTIONS	9
	1.9	DEFINITION OF KEY TERMS	9
	1.10	AN OUTLINE OF THE REMAINING CHAPTERS	11
	1.11	CONCLUSION	12
2	CH	IAPTER 2: LITERATURE REVIEW	13
	2.1	INTRODUCTION	13
	2.2	PROACTIVE TALENT MANAGEMENT	13
	2.3	PREFERENCES	16
	2.3.	1 Reward Preferences	17
	2.4	REWARDS AND RETENTION	19
	2.4.	1 The Components of Remuneration	20
	2.4.	2 Total Rewards Systems	22
	2.4.	3 The WorldatWork's Total Reward Model	26
	2.4.	4 The Armstrong and Brown Total Reward Model	27
	2.4.	5 Zingheim and Schuster's Total reward Model	27
	2.4.	6 The Towers Perrin Total Reward Model	28
	2.4.	7 Corporate Leadership Council Components of Total Rewards	29
	2.4.	8 Armstrong and Thompson Total Reward Model	30



	2.4	.9	AON HEWITT'S REWARD MODEL	31
	2.5	DE	FINING A MULTI-GENERATION WORKFORCE	32
	2.5	.1	Outlining a Generation	32
	2.5	.2	The Four Main Generations	34
	2.6	GE	NERATIONAL INFLUENCES ON REWARD	38
	2.7	DE	MOGRAPHICAL INFLUENCES ON REWARD	39
	2.8	PE	RCEIVED ORGANISATIONAL SUPPORT (POS)	40
	2.8	.1	POS Theory	40
	2.8	.2	POS and Total Reward	42
	2.9	PE	RCEIVED SUPERVISOR SUPPORT	42
	2.9	.1	PSS and Total Reward	42
	2.9	.2	Perceived Supervisor Support and Total Reward	43
	2.10	INT	EGRATED CONCEPTUAL MODEL	44
	2.11	СО	NCLUSION	45
3	CH	HAPT	ER 3: RESEARCH DESIGN AND METHODOLOGY	46
	3.1	INT	RODUCTION	46
	3.2		SCRIPTION OF INQUIRY STRATEGY AND BOARD RESEARCH	
		DE	SIGN	46
	3.2	.1	Characteristics of Study	47
	3.3	RE	SEARCH METHOD	48
	3.3	.1	Target Population.	48
	3.3	.2	Units of Analysis	48
	3.3	.3	Sampling Method for Choosing Respondents	49
	3.3	.4	Sample Size	49
	3.3	.5	Sample Statistics	50
	3.3		Data Collection	
	3.3		Self-administered Questionnaires	
	3.3	.8	Measuring Instruments	55
	3.4	RE	SEARCH PROCEDURE	59



	3.4.	.1	Pre/ Pilot Test	59
	3.4.	2	Duration of Data Collection	60
	3.5	STA	ATISTICAL ANALYSIS USED	60
	3.5.	.1	Completeness of Data	62
	3.6	ASS	SESSING AND DEMONSTRATING THE QUALITY AND RIGOUR OF	
		RES	SEARCH DESIGN	62
	3.6.	.1	Overcoming Bias and Error	62
	3.7	RES	SEARCH ETHICS	64
	3.8	СО	NCLUSION	67
4	CH	IAPT	ER 4: RESULTS AND FINDINGS	68
	4.1	INT	RODUCTION	68
	4.2	ME	ASUREMENT MODELS	69
	4.2.	.1	Reliability Analysis	69
	4.2.	2	Factor Analysis	
	4.3	ME	AN STATISTICS	75
	4.3.	.1	Total Reward Components	75
	4.3.	2	POS and PSS	79
	4.4	LE\	/EL OF IMPORTANCE VERSUS CURRENT UTILISATION	80
	4.5	AN	OVA (ONE-WAY ANALYSIS OF VARIANCE) WITH POST-HOC TESTS	85
	4.5.	.1	Age	85
	4.5.	2	Race	87
	4.5.	.3	Industry	90
	4.5.	4	Job Level	93
	4.6	T-T	EST	97
	4.6.	.1	Work-life Balance	97
	4.6.	2	Performance Management	98
	4.6.	.3	Development and Career Opportunities	98
	47	MU	I TIPLE REGRESSION	99



4.8	PEARSON- PRODUCT MOMENT CORRELATION	103
4.9	CONCLUSION	105
5 (CHAPTER 5: DISCUSSION OF THE RESULTS	106
5.1	INTRODUCTION	106
5.2	REVIEW OF THIS STUDY	106
5.3	KEY EMPIRICAL FINDINGS/ EVALUATIONS OF PROPOSITIONS	108
5.	.3.1 Evaluations of Proposition	108
5.4	INTEGRATED CONCEPTUAL MODEL	116
5.5	CONCLUSION	117
CHAP	TER 6: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS	118
6.1	INTRODUCTION	118
6.2	SIGNIFICANCE OF THE RESEARCH	118
6	.6.1 Theoretical Significance	118
	.2.2 Methodological Significance	
6	.2.3 Practical Significance	120
6.3	LIMITATIONS OF THE STUDY	120
6.4	RECOMMENDATIONS	121
6	.4.1 Theoretical Recommendations	121
6	.4.2 Methodological Recommendations	122
6	.4.3 Practical Recommendations	122
6.5	SUGGESTIONS FOR POTENTIAL RESEARCH OPPORTUNITIES	123
6.6	FINAL CONCLUSION	124
7 I	IST OF DEFEDENCES	125



LIST OF TABLES

Table 1:	Abbreviations used in this document	.10
Table 2:	Top 10 Drivers in Europe and the USA	.14
Table 3:	The top three most effective retention initiatives by generation: Executives	vs.
	Employees	.15
Table 4:	The Armstrong and Brown's Total Reward Model	.27
Table 5:	Zingheim and Schuster's Total Reward Model	.28
Table 6:	The Towers Perrin Total Reward Model	.30
Table 7:	Comparison of Genrational Widows in different countties	.33
Table 8:	Characteristics of participants	.50
Table 9:	Advantages and disadvantages of internet-based surveys	.55
Table 10:	Industry types descriptions	.57
Table 11:	Ethical issues at different stages of research	.65
Table 12:	Reliabilities for the different Total Rewards sub scales	.69
Table 13:	Item total statistics for POS	.71
Table 14:	Item total statistics for PSS	.72
Table 15:	KMO and Barlett's Test of Sphericity for the main components	.73
Table 16:	Pattern Matrix for benefits component as sub section of Total Rewards	.73
Table 17:	New benefits factors names and loadings	.74
Table 18:	Pattern matrix for work-life balance as sub component of Total reward	.75
Table 19:	Mean statistic of Total Reward components in order of importance for sample	76
Table 20:	The generation group differences and the level of importance for the five to	otal
	reward categories	.77
Table 21:	New divided job level group	.78
Table 22:	Three job level groups and the level of importance of the seven Total Rewa	rds
	components	.78
Table 23:	ANOVA table for age and Total Reward components	.85
Table 24:	Dunnett comparison between age and Work-life balance	.86
Table 25:	Dunnett comparison between age and development, career opportunities	.87
Table 26:	ANOVA table for race and Total Reward components	.87
Table 27:	Dunnett comparison between race and life convenience	.88
Table 28:	Dunnett comparison between race and work-life balance	.88



Table 29:	ANOVA table for race and POS	89
Table 30:	Dunnett comparison between race and POS	89
Table 31:	ANOVA table for race and PSS	89
Table 32:	Dunnett comparison between race and PSS	90
Table 33:	ANOVA table for industry and Total Reward component	90
Table 34:	Dunnett comparison for industry and communication work enabler	91
Table 35:	Dunnett comparison between industry and work-life balance	91
Table 36:	ANOVA table for industry and POS	92
Table 37:	ANOVA table for industry and PSS	92
Table 38:	Dunnett comparison between industry and POS	92
Table 39:	Dunnett comparison between industry and PSS	93
Table 40:	ANOVA table for job level and Total Rewards components	93
Table 41:	Dunnett comparison between job level and Communication work enabler	94
Table 42:	Dunnett comparison between job level and life convenience	95
Table 43:	Dunnett comparison between job level and life convenience	95
Table 44:	ANOVA table for job level and POS	96
Table 45:	Dunnett comparison between job level and POS	96
Table 46:	Independent sample test for work-life balance	97
Table 47:	Independent sample test performance management	98
Table 48:	Independent sample test table for development and career opportunities	99
Table 49:	Race and job level recoded groups	.100
Table 50:	Regression analysis- Total Rewards components, race and POS	.100
Table 51:	Regression analysis- Total Rewards components, race and PSS	.101
Table 52:	Regression analysis- Total Rewards components, job level and POS	.102
Table 53:	Correlation table between Total reward, POS and PSS	.104
Table 54:	Correlation table between Total reward subscales, POS and PSS	.104
	LIST OF FIGURES	
Figure 1:	South Africa workforce composition in terms of age	4
Figure 2:	Main Components of remuneration	21
_	The Elements of Total Reward	
Figure 4:	The WorldatWork Total Rewards Model	26



Figure	5:	The Towers Perrin Total Reward Model	29
Figure	6:	Armstrong and Thompson Total Rewards Model	31
Figure	7:	Aon Hewitt Model of Rewards	31
Figure	8:	Integrated conceptual model	44
Figure	9:	Level of importance versus current utilisation for compensation	80
Figure	10:	Level of importance versus current utilisation for benefits	81
Figure	11:	Level of importance versus current utilisation for work-life balance	82
Figure	12:	Level of importance versus current utilisation for performance management	83
Figure	13:	Level of importance versus current utilisation for development and care	er
		opportunities	84
Figure	14:	Integrated Conceptual Model1	16

APPENDICES

APPENDIX A: Data collection instruments	141
APPENDIX B: Respondent's Letter of Consent	151



ACKNOWLEDGEMENTS

A special message of my heartfelt appreciation to the following people for their aid in writing this dissertation:

Father God, who gave me the strength and knowledge to complete the dissertation.

Prof Karel Stanz my supervisor, for his assistance, wisdom, intellectual leadership and encouragement throughout this research. You made more than enough time to share your amazing knowledge in the most respectful of ways.

Prof Mark Bussin my employer, for his insights, support, guidance and for allowing me the time and opportunity to complete my dissertation. You are truly an inspiration.

Dr Jurgen Becker, a big thank you for your patience and help with the data.

Wilna Liebenberg, for the editing of this dissertation and overlooking no detail.

21st Century Pay Solutions Group for making their database available to conduct the research.

Everyone who participated in the survey, thank you for making the data come to life.

Family and friends, who supported me throughout the research, thank you for your patience and understanding. I could not have asked for a better support system and safety net. I believe you are truly hand-picked by God.





RETENTION PREFERENCES FROM A MULTI-GENERATION WORKFORCE PERSPECTIVE: THE RELATIONSHIP BETWEEN TOTAL REWARDS, PERCEIVED ORGANISATIONAL SUPPORT, AND PERCEIVED SUPERVISOR SUPPORT

CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

The **right** total reward strategy can deliver the **right** amount to the **right** people at the **right** time, for the **right** reasons

Gross and Friedman, 2004

The quote above illustrates that the most effective reward strategy could provide valuable factors that ultimately motivate and retain talented employees. The dissertation focus on the total rewards options for the multi-generation workforce in South Africa organisations in order to identify whether different generations prefer different total reward components. The link between Perceived Organisational Support (POS) and Perceived Supervisor Support (PSS) and total reward will also be investigated and discussed. This chapter presents a comprehensive overview of the study where it clarifies the purpose of the study in order to present the reader with comprehension of the main objectives and significance thereof. In addition the chapter also focuses on the background and problem of the study, academic value and contribution of this study. The chapter further focuses on delimitations and assumptions of the study, key definition and lastly and provides an outline of the rest of the chapters to follow.

1.2 BACKGROUND

Some of the main challenges that organisations, especially South African organisations, are confronted with are skill scarcity as well as reducing turnover of talented employees (Ashton & Morton, 2005; Ready & Conger, 2007; Robert & Borgenson, 2006). Kerry-Phillips and Thomas (2009, p.1) recorded that South Africa is undergoing an overall skill-



difficulty denoting to the recruitment of its leading talent or otherwise stated as "knowledge" employees. These knowledge employees could be perceived to be the key talent or upcoming talent in the organisation. The search for proficient employees, talent and intellectual capital is even more significant for strategic organisational success (Lawler 2008; Michaels, Handfield- Jones & Axelrod, 2001). Reindl (2007) adds the retention of talent through efficient talent management, not only promises an edge in the market place, but also an increase in the organisation's overall financial performance.

Ulrich (2008) explains that the definition of talent offers a characterisation of what it can preserve, a declaration of what is missing and a proposal of actions needed to be implemented. Numerous nations and organisations are now engaged in the war for best talent (Frase, 2007; Lawler, 2008). Consequently, they have found that in order for an organisation to thrive they should strive to obtain the best talent available across the globe; however, they should make every effort to attempt to retain this talent. Likewise, holding on to these skilled employees once they are employed can be a crucial challenge (Kontoghiorghes & Frangou, 2009).

Retention factors such as perceived organisational support (POS) and perceived supervisor support (PSS) impact employees' job satisfaction, job performance, commitment and turnover (Allen, et al., 2003; Dawley, et al., 2008; Du Plessis, 2010; Riggle, Edmondson & Hansen, 2009; Tuzun & Kalemci, 2011). In other words, POS and PSS are negatively associated with judgements to quit the organisation (Hui, Teo & Lee, 2007; van Schalkwyk, Els, & Rothmann, 2011). Longenecker and Scazzero (2003) indicate that the intent to leave correlates with job opportunity elsewhere, more money, a poor supervisor, lack of appreciation or inability to get time off from work. Therefore, effective consideration of POS and PSS components can assist in attracting, motivating and retaining employees

The benefits that can be achieved through talent management include: capable employees, increased engagement, increased career mobility, saving costs, development according to needs, fulfilling employee expectations as well as a competitive advantage (Hills 2009; Knowledge Infusion, 2006; Lawler, 2008; Mucha, 2004). Interestingly, it can be argued in organisations that these preferences could have changed over the years



because of a mixture of generations entering organisations. By extension Cox, Brown and Reilly (2010) argues that a realistic restructuring and re-analysis of reward strategies in organisations are required in order to create and instigate effective reward strategies.

In order to prevent employees from job hopping there should therefore be a focus on factors that enable an organisation to recruit and retain the best talent, as well as determining what could possibly influence it negatively. Elements such as environmental factors, organisational factors and individual factors may cause mobility for the individual to move from one organisation to another (Clark & Kleyn, 2007). Giving employees a selection of options regarding their reward packages has become a contemporary issue in South African organisations (Moore, Bussin 2012; Bussin, 2003).

Over the last few years, organisations have had difficulty facing the changing financial setting that has challenged the conventional reward procedures and plans (Deloitte Development LLP, 2009; Snelgar, Renard & Venter 2013). A complete understanding of reward packages is needed, as total rewards include intrinsic and extrinsic factors (Guthrie, 2007; Ribuno, 2006; Zingheim & Schuster, 2000). An in depth investigation of the rewards packages and factors influencing them (POS and PSS) is essential, as these elements have a key impact on performance, job satisfaction and retaining high calibre talent with significant abilities in order to make the organisation efficacious. More specifically, research has shown that the different types of rewards employers offer to employees affect the recruitment and retention of top talent (Bussin, 2007; Gratton 2004; Guthrie, 2007).

In addition, employers should recognise the significance of financial and non-financial rewards, as one's reward practices can work for one organisation but not necessarily for another, depending on the needs of the employee within the organisation. The research questions that arise are concerned with the total reward components of different generations that exist within organisations.



1.3 PROBLEM STATEMENT

Since the late 1990s managers of organisations had the responsibility to administer, manage and motivate employees from four different generation units (Giancola, 2009; Martson, 2003). The different work ethics, expectations and behaviour apparent within these different generations can make it challenging for both employer and employee to achieve personal and organisational goals respectively. This can be supported in the figure below, which shows the outline of the South African workforce currently, referring specifically to different age groups in organisations.

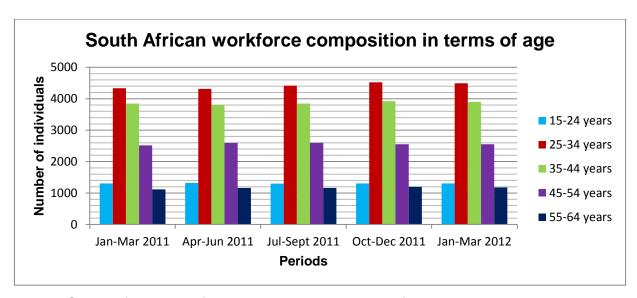


Figure 1: South African workforce composition in terms of age

Source: Quarterly Labour Force Survey, Quarter 4, 2012.

In order to allow an organisation to respond effectively to employees' demands, the reward preferences of the multi-generational workforce should be investigated and understood (Linkow, 2006). There are various reward and compensation methods other than payment that managers should seriously consider (Deloitte, 2008; Grant Thornton, 2008). Armstrong (2006) indicates that instead most employers are insensitive with regards to reward preferences of their employees, and consequently employees with scarce skills are becoming more insistent that exclusions are made based on respective individual preferences. Kaliprasad (2006) confirms that when management considerately pay attention to the preferences of employees, it can result in higher levels of determination



and involvement. Furthermore, a highly effectual reward policy and practices will aid in attracting, motivating and retaining top talent available, whether globally or locally.

Nienaber (2009) acknowledges that there is an abundance of research proposing that when employees are motivated they tend to be more diligent and participative. "Motivation influences the direction, intensity and persistence of behaviour and impacts organisational performance" (Nienaber, 2009, p 5). It is thus essential for managers to recognise these retention elements that impact the drive levels of their multi- generation employees. This could help to determine whether certain factors influence why employees would stay or leave an organisation. Haeberle, Herzberg and Hobbs (2009) emphasise that the impact that generational differences have on, for example, communication styles, equipment needs, professional growth preferences, remuneration, benefits, desired leadership and effective reward and recognitions systems can have a significant and profound effect in the work environment.

However, if organisations do not cater for the generational preferences, especially for generation X and Y, it may lead to the downfall of the organisation, as these two generations can be seen as the future leaders within any organisation. More specifically, Generation X and Y will lead the workplace for the upcoming years and after all management needs to consider the preferences and motivation of these generations to ensure an engaged and motivated workforce. Karp, Fuller and Sirias (2002) add that policies are generally formulated by Baby Boomers and therefore consequently neglecting the needs and preferences of Generation X and Generation Y. This may lead to reward policies that are based on Baby Boomers preferences neglecting any other generation preferences. The focus of relevant retention research has thus far been focused on:

- The relationship between total reward components among different generations (Haeberle, Herzberg and Hobbs, 2009) and
- The employee's perception of supervisor and organisational support (Eisenberger, Singlhamber, Vandenberghe, Sucharski, & Rhoades, 2002).

There has been much debate over whether reward or employee packages should be custom-made to fit employees. It would however, be valuable to conduct a contemporary



retention study that considers generations' reward preferences and their perception of organisational support as well as supervisor support for effective Talent Management as a result.

1.4 PURPOSE STATEMENT

In recent years South Africa has focused much on organisational diversity that resulted from employee and cultural diversity, however less attention has been given to generational differences within organisations. As can be expected for many years only one generation was predominant, but presently there are four discrete generations prevalent in the working place namely Veterans (born 1900-1945), the Baby Boomer (born 1946-1964s), Generation X (born 1965- 1980) and Generation Y (born 1981- 1999) and the understanding of these different generations have become increasingly important for organisations (Dawn, 2004; Du Plessis, 2010; McGuire, Lancaster & Stillman 2002; Reynolds, 2005; Sherman, 2006; Smola & Sutton, 2002; Todnem & Hutchings, 2007; Zemke, Raines & Filipczak, 2002).

As Ferguson and Brohaugh (2009) advice that organisations need to focus on employee retention in the good and challenging times, and this approach is also known as the war for talent. The study concentrated on total reward for several reasons mentioned by Ferguson and Brohaugh (2009):

- Preserving institutional memory
- Controlling acquisition costs
- Reducing customer attrition
- Maintaining brand loyalty and
- Enhancing the customer experience

1.5 RESEARCH OBJECTIVES

Subsequently the following primary research objective investigates the current research problem:



 The primary objective is to determine whether in South African organisations, generations prefer different total rewards options, and what the relationship between total reward, POS and PSS.

The secondary objectives are the following:

- To determine the relationship between multi-generations' total rewards and perceived organisational support.
- To determine the relationship between multi-generations' total rewards and perceived supervisor support.
- To inspect what influence the demographical variables have on total reward.
- To investigate the differences in total rewards between managers and employees.
- To investigate the relationship between current utilisation and level of importance of each total reward component.

The following eight propositions were formulated from literature:

- Proposition 1: There is a big difference in level of importance for total rewards components between managers and employees.
- Proposition 2: To determine the reward factors which are currently being used the most to retain employees.
- Proposition 3: To determine the most important reward factors to retain employees
- Proposition 4: Different generation groups prefer different total reward factors.
- Proposition 5: Age, gender, race, qualification, industry, job level, years with company
 and years remaining at company play a moderating role in the relationship between
 total rewards and POS, as well as total reward and PSS.
- Proposition 6: A direct positive relationship exists between the employee's total reward components and POS.
- Proposition 7: A direct positive relationship exists between the employee's total reward components and PSS.
- Proposition 8: A direct positive relationship exists between the POS and PSS.



1.6 ACADEMIC VALUE AND CONTRIBUTION OF THE PROPOSED STUDY

As Ridderstrale and Nordstrom (1999) accentuate that talent makes capital dance. Talent management has the potential to be the decease of an organisation or the reason for its continuous success. A concept that exposes this much potential for both disaster and prosperity justifies some examination of its protection.

An organisation's ability to retain talent holds economic benefits for the organisation, both through cost containment (decreasing replacement costs) and income generation (through efficient application of talent). This study provided significant value and pointers for organisations and HR departments that in the process of attracting, recruiting and most of all retaining high calibre talent. More specifically, this study is helpful for managers who are concerned of retaining personnel with scarce skills and provides noteworthy suggestions for effective HR policies and retention strategies in order to retain a competent workforce.

In addition, research on total reward and retention preferences for multi-generation groups are limited in the South African workplace. Despite its practical relevance, a retention study can also greatly contribute on an academic level. This study offers insights into reward preferences for multi- generations in the workplace in order to attract recruit and retains the best talent from different generations, but also to offer them competitive benefits and rewards.

1.7 DELIMITATIONS

This study has a few delimitations related to the context, constructs and theoretical perspectives. The following delimitations were implied:

- Participants were limited to the South African workforce and labour market and focused on specific age groups from organisation listed on the 21st Century Pay Solutions Group database, to which the researcher had full access.
- The study aimed at finding out what the current total reward was amongst different generations and all the factors that were linked to total reward.



 Classifying individuals into four age categories can be seen as stereotyping, as some individuals may differ with regard to the values, culture or preferences associated with the specific age group.

 Employees from the selected organisations were not approached to share their feelings and or perceptions of the total reward.

• There is no study or measure that showed that generation theory is valid in South Africa.

1.8 ASSUMPTIONS

An assumption could be described as situations generally unnoticed and the assumptions should be valid otherwise the research project is meaningless (Leedy & Omrod, 2010). The proposed research is made with underlying assumptions set out below:

 A quantitative research approach is the best method to explore the retention factors paradigm.

Data will be drawn from questionnaires that only include closed categorical options.

• Participants will complete the questionnaire truthfully.

 Participants who will complete questionnaires understand the questions and the questionnaires were logical and easy to complete.

 Participants will be engrossed to complete the questionnaire as the study is contentious and general in current debates.

1.9 DEFINITION OF KEY TERMS

To simplify the understanding of key terms used in this study, the terms and their meanings are set out below:

Generation: a group of individuals born in the same time period.

Total reward: employees' different values, perceptions and needs in terms of the workplace.



Reward strategy: Stipulates what the organisation aims to do in the long term, for example to create and integrate reward policies, practices and systems in order to attain the organisation's goals as well to provide for individual requirements and desires (Armstrong, 2006; Bussin, 2011; Milkovich & Newman, 1999; Chiang, 2005).

For this purpose of the study, the guidelines for multi-generations were based on the dates given by Lancaster and Stillman (2002), Reynolds (2005) and Zemke, Raines and Filipczak (2002) and were identified as:

Silent/ Veterans/ Traditionalist: (Born 1900-1945)

Baby Boomers: (Born 1946-1964)

Generation X: (Born 1965- 1980)

Generation Y: (Born 1981- 1999)

Perceived Organisational Support: Employees develop a mind-set or a global belief about the extent to which their organisation appreciates their inputs and is concerned about their general well-being, which is known as their perception of organisational support (POS) (Eisenberger, et al., 2002).

Perceived Supervisor Support: Employees develop global perceptions about the degree to which supervisors' appreciates their efforts and is concerned care about their well-being (Eisenberger, et al., 2002).

The next table illustrates the abbreviations used in the study.

Table 1: Abbreviations used in this document

Abbreviation	Meaning		
EVP Employee Value Proposition			
LTI Long-term Incentives			
STI Short-term Incentives			
POS	Perceived Organisational Support		
PSS Perceived Supervisor Support			
SPOS	Survey of Perceived Organizational Support		
SoPSS	Survey of Perceived Supervisor Support		



1.10 AN OUTLINE OF THE REMAINING CHAPTERS

The following segment provides an overview of the content of the remaining chapters:

Chapter 1: Introduction and Background

This chapter provides the reader with a better understanding of the underlying problem, purpose statement, the main objectives and the motivation in a South African context. This chapter is divided into nine sub-sections, consisting of an introduction, background, description of research problem, overview of purpose of research, the fundamental research objectives, and a justification of the contribution for the research, followed by the delimitations, assumptions and explanation of key definitions.

Chapter 2: Literature Review

This chapter expands on previous research findings of the studies conducted concerning the total reward preferences of employees and perceived organisational support, as well as perceived supervisor support. Thus, chapter 2 is a clear and structured literature review based on past research findings and exploring factors and components of reward models.

Chapter 3: Research Design and Methodology

This chapter focuses on the different methodologies that were applied to conduct the research study. This includes a description of the research paradigm and broad research design that was used in order to complete this study. It also elaborates on the sampling, data collection and data analysis. Finally, the ethical consideration which was followed during the execution of the study is summarised.

Chapter 4: Results and findings

In this chapter the focus is on portraying and inferring the results obtained from the statistical procedures as described in Chapter 3. It details the descriptive statistics and results regarding the reliability of the instruments, factor analysis, possible correlations between constructs as well as the differences between groups.



Chapter 5: Discussion of results

This chapter focuses on reviewing and discussing the results from Chapter 4. The eight propositions will be explained and linked to literature review as discussed in Chapter 2.

Chapter 6: Limitations, recommendations and conclusion

This chapter attempts to draw final conclusions from this study. It concludes with a description of the significance of the study, the limitations involved and some recommendations for future studies.

1.11 CONCLUSION

This chapter presented the background and motivation for this study. It appears that there is a lacking of empirical evidence on generation theory and the retention preferences in the South African market. Therefore, the main purpose of this study was to determine the top total rewards factors for different generations in South Africa. Moreover, this chapter specifically looked at the background, problem statement, purpose of research, research objectives, delimitation, assumptions and definitions of key terms of the study as well as an outline of the remaining chapters.

The next chapter investigates the literature that exists on the research topic and also focuses on the components of the total rewards and how generations perceive organisational support as well as perceived supervisor support.



2 CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

In this chapter the theory and importance of retention and remuneration management within organisations are highlighted, and the different generations are explained. The remuneration theory and practice will be explained and different reward components and reward models are discussed and illustrated. The link between perceived organisational support and perceived supervisor support and total reward is also investigated and discussed.

2.2 PROACTIVE TALENT MANAGEMENT

According to Corporate Leadership Council Advisory Board, approximately 25% of the decision about staying at an organisation relates to remuneration (Bussin, 2011). This raises the question of whether higher compensation will in fact motivate talented employees to stay at the organisation.

Cascio (2003) describes the term retention as actions or plans engaged by management in order to keep employees from exiting the organisation which includes aspects such as effectively rewarding employees, maintaining congruent employee and management interactions, ensuring organisational person-fit and providing secure, and maintaining a healthy work setting. Retaining talented employees can be regarded as all the attempts of the employer to create a working environment that is favourable and engages the employee for the long-term and making sure they keep necessary employees in order to attain organisational goals in the set time (Frank, Finnegan, & Taylor, 2004). Lockwood (2006) asserts that retention is the application of combined strategies and methods to enable high functioning from individual and the organisation in general.

South Africa has a very high unemployment rate, which is currently established at 23, 9% (Statistics South Africa, 2012), and one would expect that organisations to be enthusiastically recruiting employees. However, this is not the case with only limited



scarce skills available, employee mobility and the pending retirement of Baby Boomers, it becomes problematic (Hall & Sandelands, 2009; Maigibiri & Nienaber, 2009).

The loss of high quality employees as well as the replacement strategies can be believed to have an economic impact on any organisation. Wrigth (2010) agrees with this by stating the decision of an employee to stay or leave is potentially costly, often between 1.5 to 2.5 times the annual salary of the incumbent. Advertising, recruitment, orientation and training courses for new employees and decreased morale and productivity are all factors that need to be considered. Subsequently it is vital that when organisations attain the appropriate skilled employees, they implement retention strategies to prevent them from leaving (Kaye & Jordan-Evans, 1999). It can be noted that an Employee Value Proposition (EVP) is a retention strategy that is specific and unique to each organisation. Heneman and Judge (2003) argue that for in order for an organisation to retain employees to perform optimally, organisation must match reward to employees' preferences.

Towers Perrin (2007) carried out two sets of research, one in the US and one across six other countries in Europe. Their study identified a "top 10 List' of drivers for attraction and retention of employees. The results are shown in the table below.

Table 2: Top 10 Drivers in Europe and the USA

Europe	USA	Europe	USA
Top 10 attraction drivers	Top 10 attraction drivers	Top 10 retention Drivers	Top 10 retention drivers
Work- life balance	Competitive healthcare benefits	Managers motivates interest for work	Vocation growth opportunities
Recognition for work	Competitive pay	Vocation growth opportunities	Retention of high calibre people
Vocation growth opportunities	Work-life balance	Company reputation as a good employer	Overall work environment
Challenging work	Competitive retirement benefits	Fair and consistent pay determination	Ability to improve skills
Competitive pay	Vocation growth opportunities	Intention of working after retirement in another field	Resource to get job done
Learning/development opportunities	Challenging work	Decision-making authority	Competitive pay
Job autonomy	Calibre of co- workers	Overall work environment	Clear goals form manager
Variety of work	Pay rises linked to individual performance	Intention of working after retirement to stay active	Challenging work



Pay rises linked to individual performance	Recognition of work	Mangers provides access to learning opportunities	Manager motivates interest for work
Company reputation as a good employer	Company reputation as a good employer	Senior management demonstrates values	Overall satisfaction with benefits

Source: Perrin (2007)

A recent survey conducted with 365 employees, at large global organisations in America, Asia Pacific, Europe, Middle East and Africa, revealed the top three retention inducements. The participants ranked promotion or job advancement first, followed by supplementary remuneration and thirdly additional bonuses or other financial incentives (Deloitte, 2011). Furthermore, Deloitte's study classifies the data into three generation specific retention incentives that are depicted in the following table:

Table 3: The top three most effective retention initiatives by generation: Executives vs. Employees.

Ranking	Millenials (age 31 and under)		Generation X (ages 32-47)		Baby Boomers (ages 48- 65)	
	Executives	Employees	Executives	Employees	Executives	Émployees
1	Company culture (21%)	Promotion or job advancemen t (41%)	Additional bonus or financial incentives (21%)	Promotion / job advancement (64%)	Additional benefits (26%)	Promotion/ job advancement (50%)
2	Flexible work arrangement s (20%)	Additional compensatio n (40%)	Additional compensatio n (19%)	Additional bonus or financial incentives (41%)	Additional bonus or financial incentives (23%)	Support and recognition from supervisor or managers (43%)
3	New training programs or support and recognition form supervisors or managers (19%)	Additional bonuses or financial incentives (33%)	Strong leadership (19%)	Additional compensation (33%)	Additional compensatio n/ strong leadership/ organisationa I support (21%)	Additional compensation (42%)

Source: Deloitte (2011)

It can be concluded from the studies conducted that work-life balance, job content and work environment improve employee retention considerably. Other surveys show that the majority of employees leave an organisation for reasons other than pay. Limited or no opportunities for career development, flexible work hours and lack of recognition are the



main reasons for employees resigning. Therefore, employers should not only use a pay option to attract, retain and to motivate employees, but should rather include other non-monetary factors as well (Bussin, 2003; Hill & Tande, 2006).

Eskom's Employment Value Proposition Report (2009) indicated the following employee value proposition attributes to be the five most important attributes to attract and retain top talent. This can be divided into attributes valued by young employees and senior employees in the organisation. The attributes for the young employees were identified as future career opportunities, development opportunities, compensation, ethics/ integrity and stability. For the senior employees it included compensation, future career opportunities, work-life balance, level of job impact and respect. Lastly the five important attributes for peers in Eskom was compensation, stability, future career opportunities, work-life balance and retirement benefits. The demographics in their survey showed that 22% ranged among the ages of 18-29, 51% was between the ages of 30-44, 26% was between the ages of 45-64 and only 5% were 65 years or older.

It is important to note that there are two forms of turnover, namely the unpreventable (voluntary) and the preventable (involuntary). The unpreventable indicates employee turnover that is not influenced by the organisation or the employee such as retirement or passing (Mengel, 2001, Rooyen, du Toit, Botha & Rothman, 2010). The preventable signifies employee turnover over which the organisation and employee has effect on for example resignations (Mengel, 2001, Rooyen, du Toit, Botha & Rothman, 2010).

Moore (2002) argues that job stressors and job satisfaction are among the factors that contribute to employees to quitting their jobs. These findings emphasise the importance of the total reward concept in organisations, especially in terms of retaining talent from a multi-generational environment according to each individual's specific needs.

2.3 PREFERENCES

Preferences can be seen as the individual's norms, beliefs, attitude, expectations and specific choices regarding specific concepts or situations. Each generation has its own features, values and attitudes toward work based events (Jenkins, 2007). This positively



relates to total rewards that contribute to employee engagement, retention, organisation's employee value propositions and organisational performance. In short, the impact is even more meaningful if the reward offering is created relative to employee preferences (Giancola, 2007, Nienaber, 2009; Sung & Todd, 2004).

Employees requests and preferences changes over time (Gross & Friedman, 2004; Snelgar, Renard & Venter 2013) and there are many aspects that can affect employees' reward preferences, including age, values, religion, marital status, number of dependents and culture (Meyer & Kirsten, 2012; Snelgar, Renard & Venter 2013). It can therefore be beneficial to offer employees with flexibility in terms of the choice of components in the rewards package, which is also referred to as "different, employee-initiated reward profiles" (Nienaber, Bussin & Henn 2011, p2). Corby, Palmer and Lindop, (2009) acknowledge this concept and conceptualises it as individualisation of reward packages where selection of variety items are compiled into the total reward structure (Swanepoel, Erasmus & Schenk, 2008).

On a practical note it is impossible to compile unique reward profiles for large to medium-sized organisations as it would be difficult to manage and administer these profiles indicated by Nienaber, Bussin and Henn (2011). A resolution to this issue is to design reward packages for employee, groups or divisions as suggested by Snelgar, Renard and Venter (2013). In other words, several types of rewards will be grouped together, depending on the requirements of a certain employee group (i.e. the specific reward package pertaining to each generation within the organisation) or segment. For instance diverse rewards are proposed to different employee groups such as job level, business unit, product line or life cycle, geographic location, generation, age, family size, occupation, education level or religion (Du Toit, Erasmus & Strydom, 2007; Mercer, 2008; Snelgar, Renard & Venter 2013).

2.3.1 Reward Preferences

As the competition in the work environment increases, employees are becoming more challenging in terms of rewards, expectations and expecting that organisations compose exemptions according to specific preferences, priorities and needs (Herman & Giola, 2000,



Netswera, Rankhumise & Mavundla, 2005). Employees and employers' desires and requirements may shift over a period of time, predominantly as their level of income changes (Tang & Ibrahim, 1998). Tang and West (1997) add that when employees receive adequate remuneration, they will concentrate more on inherent needs such as acknowledgement, appreciation, training and development and achievement. This is important to take into consideration when developing a remuneration policy and system, as the individuals' financial circumstances is over and above other factors that may influence the employee's preferences such as generational differences. Longenecker and Scazzero (2003) further declare that the intent to leave correlates with job opportunity elsewhere, more money, a poor supervisor, lack of appreciation or inability to get time off from work.

As shown by Dockel's (2003) and van Dyk and Coetzee (2012) South African study revealed six vital retention aspects which management need to be concerned about if they want to retain high calibre workforce. These factors include:

- Compensation
- Job characteristics
- Opportunities for training and development
- Supervisor support
- Career opportunities
- Work-life balance

Research conducted in South Africa by Bussin and Fletcher (2008) and van Rooy (2010) found that different generations do in fact favour different rewards. It could be agreed that organisations comprise different ages or stages of employees and also different expectation in the workplace, thus organisations need to investigate their reward schemes and their ability to address the requirements and expectations of these employees, since the costs of major benefits are on the increase (Denker, Joshi & Martocchio, 2007; Dublehon, Molloy, Pichler & Murray, 2009).

Work values and requirements change as employees mature and age (Smola & Sutton, 2002). For instance, younger employees tend to desire more physical rewards such as medical aid, maternity or paternity leave, whereas elder employees may care about



standard options or contributions to their retirement plans (Metha, Anderson & Dubinsky, 2000). In addition, Society for Human Resource Management (2009) argues further that retirement benefits are assumed to be less important for workers in their 20s, but as they grow older it becomes much more significant. A sample of manager-level employees in the KwaZulu-Natal area was asked "what 5 things would influence the decision to leave your current organisation". The top five results from 106 respondents were, in the following order of importance: poor payment, lack of vocation advancement, poor leadership, better job and position proposed and poor working circumstances (Muteswa & Ortlepp, 2011). From this background the following proposition was formulated:

Proposition 1: There is a big difference in the level of importance of total reward components between managers and employees

2.4 REWARDS AND RETENTION

Parker and Wright (2001) reasons that more payment will lead to employees to be more trustworthy, enthusiastic and productive, showing indeed that pay has a direct impact on employees' intention to stay. Haynes (2002) enumerates that extraordinary relationship building and maintaining these relationships is not suitable alternatives for adequate financial rewards, while Rynes, Gerhart and Minette (2004) argue that the role of remuneration is undervalued, since the misinterpretation of employees' responses when increased remuneration jobs is offered. Chew and Chan (2008) as well as Chew and Wong (2008) also recognise that pay is known as a potential precursor of organisational commitment and intent to remain, as salary alone will not be adequate. For instance, low pay might urge an employee to leave, but high pay might not automatically keep them. Thus, pay is important as it is broadly applied and holds multiple symbolic meanings for employees and employers.

Other researchers may have different opinions with the abovementioned views, for example, Tang, Luna-Arocas and Tang (2004) assert that managers should not only focus on payment as a reward, because employee's contentment with payment will ultimately decrease as this point persistently increases. Mahaney and Lederer (2006) support this by stating that intrinsic inspiration is the psychological reward that employees gain from



performing their responsibilities at work. Intrinsic motivation can be experienced through the execution of the job, for example in factors such as achievement, challenge, variety, responsibility and personal and professional growth. It can be concluded that there may be other intrinsic and extrinsic factors that may influence an employee's decision to leave or remain with the current organisation.

From Sheldon, Gunz, Nichols and Ferguson's (2010) perspective implied that extrinsicallyorientated employees misjudge the encouraging influence of extrinsic goals. By extension, they highlighted that the next motives why individuals attempt to achieve extrinsic goals namely: growth and present emotional problems, praise by the media and advertising, social evaluation and group pressure.

Extrinsic and intrinsic rewards both have an effect on employees and employers. It is therefore challenging to forecast the result of the interaction of the opposing dynamics of extrinsic and intrinsic rewards (Nujjoo & Meyer, 2012). Armstrong (2006) describes reward as the grouping of all categories of rewards while Hiles (2009) states that these employee rewards include financial and non-financial rewards, direct and indirect rewards and intrinsic and extrinsic rewards. Hence, the literature explores what type of rewards factors or models is effective in retaining employees from different generations. Arnold and Venter (2008) agree with this argument and are of notion that much confusion exist on the question of which reward factors really motivate and lead to retention of employees.

2.4.1 The Components of Remuneration

Pay and remuneration are terms with similar meanings, and therefore these two terms are used interchangeably in this section. Developing a reward or remuneration policy is one of the most important decisions that an organisation has to make. A competitive remuneration policy allows the organisation to use the policy as a tool to attract but most of all retain employees and managers (Bussin, 2011).

The figure below was developed based on all the different models for total rewards, which are emphasised in the total reward systems section. The figure below illustrates the general components of remuneration.



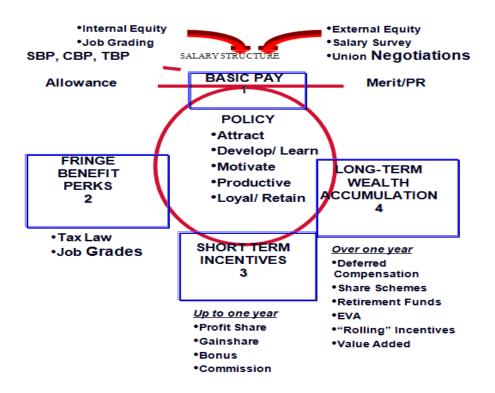


Figure 2: Main Components of remuneration

Source: Bussin (2011, p139)

From figure 2 it can be observed that when basic pay (1) and fringe benefits (2) are combined, the provide the employee with guaranteed remuneration that is also known as a total reward package. A combination of short-term incentives and long-term incentives will provide the employee with variable pay. It is therefore essential for remuneration managers and specialists to try to maintain basic salary and fringe benefits to control short-term incentives and long-term incentives (Bussin, 2011).

Basic salary is a result from the organisation's internal and external equity. Internal equity is the extent to which employees are treated fairly in terms of their employment contract or remuneration programmes relative to comparable others within the organisation (Khalifa & Truong, 2011). External equity refers to one organisation comparing remuneration with competing organisations and the market (Khalifa & Truong, 2011). After basic salary has been established, the remuneration manager or remuneration specialist can structure the employee's fringe benefits. The composition of an employee's fringe benefits is subject to job grades and tax laws (Bussin, 2011).



Short-term incentives can be viewed as a motivation or retention strategy which human resource management can use to retain or motivate employees but also as an encouragement to reward exceptional performance. Short-term incentives can include examples such as profit share, gain share, bonuses or commission. One key characteristic of short-term incentives is that these incentives can be accomplished within one year. Short-term incentives can be obtained by all employees in the organisation (Bussin, 2011).

Long-term incentives schemes are designed for executive employees only, namely employees in the middle and top management positions in the organisation. Long-term incentives can also be used in a motivation and retention strategy or to reward exceptional performance. One key characteristic of long-term incentives is that they are usually obtained over one year can include examples such as deferred remuneration, share schemes, retirement funds and "rolling" incentives (Bussin, 2011, p. 330).

2.4.2 <u>Total Rewards Systems</u>

Total rewards are a term used to explain the support reward elements in the work environment. This can include financial, non- financial, indirect as well as direct, intrinsic and extrinsic rewards that are offered to an employee (Armstrong, 2006 Armstrong & Brown, 2001; Costello, 2010; WorldatWork, 2010; Bussin, 2011; Cable & Judge, 2002). Total reward is the mixture of remuneration and benefits, together with the tangible and intangible aspects that organisations use to attract, motivate, and retain employees.

Various theories try to describe the link between reward and different retention preferences. Meaning retention preferences involves an assortment of elements than just using remuneration (Armstrong & Brown, 2006). Armstrong and Brown (2006) also enumerates that a total reward strategy is critical in directing issues of recruitment and retention in any organisation.

Armstrong and Brown (2006) propose that the next advantages will results from implementing a total reward strategy namely:

- Greater impact on productivity, culture and employees understanding
- Enhancement of the employment relationship



- Increased cost-effectiveness
- Flexibility to meet individuals demands and
- Victory in the war of talent

Thus, the concept of a total rewards mix entails various factors of rewards have to be combined in order to form the organisation's reward strategy. From Hill and Tande's (2006) as well as Hiles' (2009) view states that a flexible organisation-specific adapted total reward system will support organisations to attract and retain scarce skills. Hill and Tande (2006) reckon that an efficient total rewards strategy or framework could increase employee efficiency by up to 35%.

An analysis should be done to determine on which level of the organisation and in which phase of the employee's life would be the most critical to retain the employee (De Lange, 2010). The different generations and career development phases should be kept in mind and different remuneration benefits should be provided. According to Smythe (Beeld, 2010), other remuneration benefits can include the following:

- A shorter work week
- Flexible hours and mobile workspace
- Part-time work
- Extended leave
- Job sharing

According to Breihan (2007) the recruitment and retention of employees is from the same continuum. By providing employees with the opportunities to select features of their remuneration package in accordance with their preferences can increase the level of motivation as well as encouraging the organisation to have a competitive advantage (Gray, 2008; Heneman, 2007). Employee values, preferences and needs should be taken in account when creating the employee package.

The studies by Kerry-Phillips and Thomas (2009) and the Corporate Leadership Council (2007) on rewards are conflicting in some of their discoveries (van Der Merwe 2012), underlining the different opinions that individuals developed on this topic. Moreover,



Corporate Leadership Council (2007) expands by that the following factors can be seen as vital in the employment package:

- Remuneration and benefits, especially for career decisions;
- Base salary is regarded as the most important attribute;
- The quality of management staff, which is regarded as the most important decision in managing a career. The significance of this facet is demonstrated by the fact that employees are willing to receive less payment if they can work for the best managers; and
- Employee not find a high-risk, high reward job attractive;
- Work-life balance, with penalties for inconvenience;
- An attractive organisational brand; and
- The best top management

In the contemporary economy, the total reward approach has become more significant as organisations strive to find a balance between reward factors, and from this point identifying those that offer for employees' requirements (Costello, 2010; Gross & Friedman, 2004). Perceptions and attitudes have changed towards remuneration as organisations recognise that the main aim of reward systems is not only to attract and retain employees, but also to use these systems in order to attain the organisation's objectives.

The concept of total reward includes the mixture of two different reward types as classified by Armstrong (2006) and is as follows:

- 1. **Transaction rewards:** this includes tangible or financial rewards arising from a transaction between an organisation and its employees services made.
- Relational rewards: this includes intangible and non-financial rewards concerned with the work environment, recognition, performance management, learning and development.

These two different categories of reward and how they are linked to the total reward models are depicted in figure below:



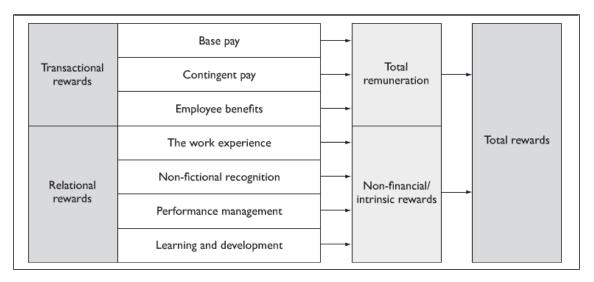


Figure 3: The elements of Total Reward

Source: Armstrong (2006)

It appears that over the past years several total rewards programmes, models and frameworks have been developed by organisations and remuneration consulting firms. It is thus important to understand the previous basics of reward models in order to obtain a holistic understanding of all the reward-related components in these models (Nienaber, 2009).

The following models illustrate the components or factors of total reward by various researchers. These models are used by many organisations as departing point to design their own unique total reward model (Bussin, 2009). The models that will be examined are:

- The WorldatWork Model Total Rewards Model
- The Armstrong and Brown Total Reward Model
- The Zingheim and Schuster Total Reward Model
- The Towers Perrin Model of Total Reward
- The Corporate Council of Leadership Components of Total Rewards
- The Armstrong and Thompson Total Rewards Model
- Aon Hewitt's Reward Model



2.4.3 The WorldatWork's Total Reward Model

WorldatWork is the largest non-profit specialised association, which provides knowledgeable information on total rewards. The WorldatWork association states that rewards can be classified under five different categories namely compensation, which is also known as remuneration and more commonly used in South Africa, benefits, work-life, performance and recognition and development and career opportunities (WorldatWork, 2007).

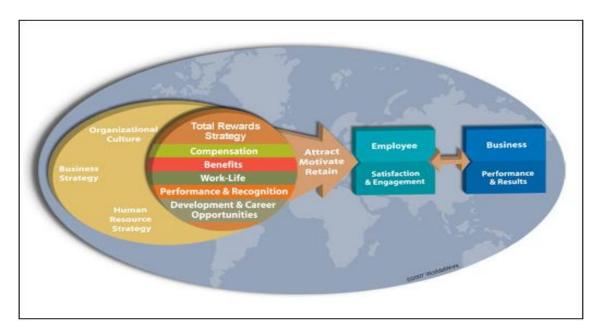


Figure 4: The WorldatWork Total Rewards Model

Source: WorldatWork's Total Rewards Model (2007, p 7)

WorldatWork model specifies how an organisation's total reward strategy contributes to the attraction, motivation and retention of employees, which in turn has an encouraging influence on employee satisfaction and engagement as well as organisation's performance and results. The above model further details that total reward functions within an overall organisational strategy, the organisational culture and a supportive human resource strategy. Therefore, for the purpose of this study, the figure was used as a basis for research purposes.



2.4.4 The Armstrong and Brown Total Reward Model

The Armstrong and Brown Total Reward Model are similar to the WorldatWork model, but another additional component is added to the model, namely work experience (Nienaber, 2009). The model also differentiates between transactional and relational rewards. Table 4 illustrates how the new addition of work experience fits into the current model.

Table 4: The Armstrong and Brown's Total Reward Model

Transactional rewards	Base Pay Contingent Pay Employee Benefits	Total remuneration	Total Reward
Relational rewards	Learning and development The work experience	Non-financial/ Intrinsic rewards	

Source: Armstrong and Brown (2006)

It can be noted that the work-life balance component is not included in Table 4, but is referred to as work experience. A clear comparison can be depicted between Armstrong and Brown's Total Rewards Model and the WorldatWork total rewards model.

2.4.5 Zingheim and Schuster's Total reward Model

Zingheim and Schuster's (2007) Total Rewards Model differs from the WorldatWork model in that it categorises rewards in three different main categories namely, total pay, performance and people management and other types of rewards. Each one of these three main categories contains sub-components, as indicated in table 5.



Table 5: Zingheim and Schuster's Total Reward Model

Total Pay	Performance management and Management of People	Total Rewards other than Pay
Base pay Variable pay or incentives Recognition or celebration Reward customisation Fairness	Goal-setting (flowing from and that can be influenced by individuals) Performance management (setting expectations, feedback, coaching, results, evaluation) Super keepers (identify and reward those with critical skills and competencies that are translated into results- now and potential for future) Managing out poor fit/ poor performers	Individual growth (career paths, competency management, build capabilities for competitive advantage) Compelling future (win-win over time) Positive workplace (Work-life balance, shared accountability and celebration of successes, consistent two-way communication) Change (flexible, agile, good at planning and executing)

Source: Zingheim and Schuster (2007, p3-4)

2.4.6 The Towers Perrin Total Reward Model

The Towers Perrin Total Reward Model concentrates more on tangible and intangible rewards as well as individual's rewards versus communal rewards. This shows that the model is divided into four groups namely pay, benefits, learning and development and work environment (Armstrong, Brown & Reilly, 2011). The figure below illustrates the different transaction/tangible and relational/intangible rewards according to Towers Perrin.



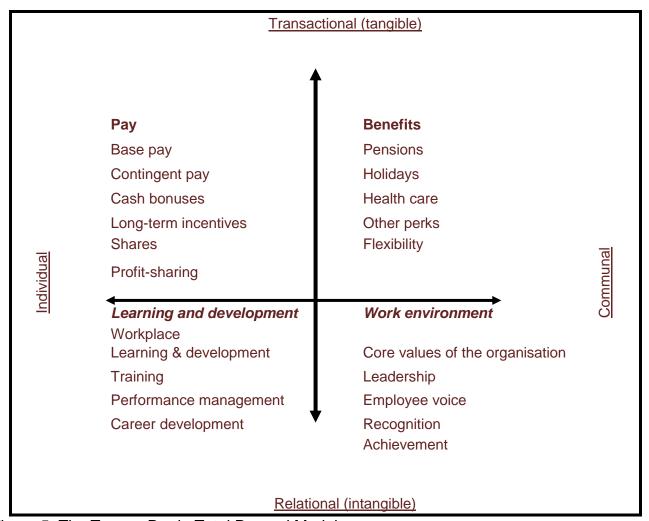


Figure 5: The Towers Perrin Total Reward Model

Source: Armstrong and Reilly (2011, p25)

2.4.7 Corporate Leadership Council Components of Total Rewards

The Corporate Leadership Council (CLC) describes total rewards components from a philosophical point of view. If the CLC definition of total rewards is compared with the WorldatWork's total rewards model, it is apparent that performance as well as learning and development are excluded where work-life is included as family-friendly benefits. The CLC (2007) updated components of total rewards reveals the following categories for total rewards:

- Remuneration and benefits
- Work environment
- Work-life balance
- Organisational environment



The table below contains an explanation of the different categories of total rewards components and variables as described by CLC will follow (2007, p 17):

Table 6: Total Reward components and variables

Remuneration and benefits	Work environment
Base salary	Manager quality
Bonus as percentage of base salary	Co-worker quality
Health benefits	Recognition
Retirement benefits	Cutting-edge work
Share options	Empowerment
Internal equity	Role clarity
External equity	Work challenge
	Internal mobility
	Project responsibility
Work-Life balance	Organisational environment
Location	Risk taking
Flexitime	Company reputation
Child care	Senior team reputation
Hours	Company size
Telecommuting	Employee development
Travel	Reputation
Vacation	Technology level
	Respect
	Meritocracy
	Ethics

Source: CLC (2007, p. 17)

2.4.8 <u>Armstrong and Thompson Total Reward Model</u>

According to Nienaber (2009) Armstrong and Thompson's total rewards model, as indicated in Table 5, has included the *quality of working life* in comparison with the model developed by Armstrong and Brown (2006) (discussed earlier), which refers to *work experience* (Nienaber, 2009). This can be seen in the figure below:



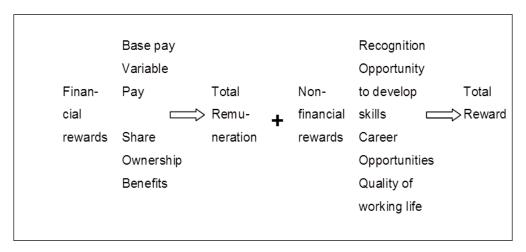


Figure 6: Armstrong and Thompson Total Rewards Model

Source: Armstrong and Thompson (2002)

2.4.9 AON HEWITT'S REWARD MODEL

Aon Hewitt Consulting classifies reward components in four key categories, namely environment, development, benefits and compensation (Aon Hewitt, 2012). These four categories and each subgroup are indicated in the figure below.

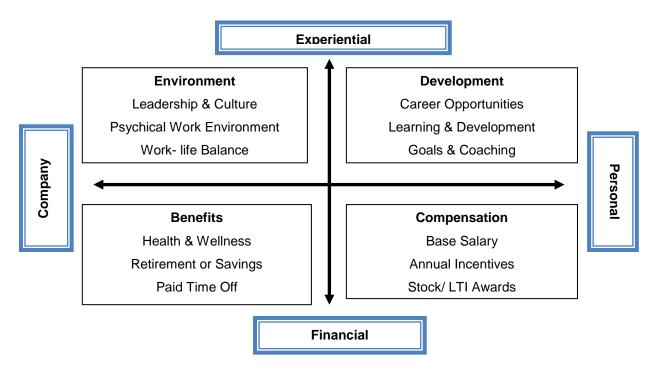


Figure 7: Aon Hewitt Model of Rewards

Source: Aon Hewitt Survey (2012, p 2)



Thus, from the above literature the following two propositions were formulated:

Proposition 2: To investigate and determine the reward factors which are currently being used the most to retain employees

Proposition 3: To investigate and determine the most important reward factors for employees that will retain them

The question is still what influence different generations would have on these total reward options. In the next section, generations will be defined, generations groups will be explained as well as generation influences from previous studies will be discussed.

2.5 DEFINING A MULTI-GENERATION WORKFORCE

2.5.1 Outlining a Generation

In defining a generation group Yang and Guy (2006) state that members of a generation group share a special history and special characteristics or behaviours as a result of the influence of the special history. These historical events shared by these groups connect them and impact their crucial progression years (Sullivan, Forret, Carraher & Mainiero, 2009). Moreover, these shared incidents or experience shape a generation's attitudes, perceptions and behaviours as they grow up together. Similarly, Du Plessis (2010) highlights that the multi-generations bring their own unique principles, approaches and mind-sets to the workplace.

The categorisation of generations has been investigated as inconsistent due to the beginning and end dates used to identify a generation (Shaul, 2007). Hahn (2011) argues that by describing generational cohorts, it is vital to take note that generalisations do not stereotype individuals or relate to entire populations. Codrington and Grant-Marshall (2004) describe a generation as an entire group of individuals born more or less the same time. They further constructed a table that illustrates the different window periods of generations between different countries, as illustrated in table 7:



Table 7: Comparison of Generational Windows in Different Countries

Generation	USA	Europe/ UK	Japan	South- Africa
"G.I"	1900-1923	1900-1918	1900-1925	1900-1920
Veterans	1924-1942	1919-1945	1926-1945	1921- 1940
Baby Boomers	1943-1962	1946-1965	1946-1965	1941-1960
Generation X	1963-1983	1966-1984	1966-1985	1961-1980
Generation Y	1984-2001	1985-2001	1986-2001	1981-2005

Source: Codrington and Grant- Marshall (2004)

The generations identified for the twentieth century are the "G.I" or Hero Generation, Veterans, Baby Boomers, Generation X and Generation Y. For the purpose of this research, *GI will be excluded, as most people who were born before 1920 do not participate actively in the workplace any more.*

Although in the new workforce older, middle aged and younger workers may share the same work responsibilities they still differ in personal values, approach to work methods and ethics, communication style as well as how they interact and perceive each other, whether internally or externally to the organisation (Dwyer, 2009). These differences in generations may create conflict in the workplace, and it is consequently of utmost importance for organisations to be aware of these unique features in order to manage and retain a multi-generational workforce. Similarly, successful managers aim to ensure that their teams understand their expectations, and the roles are structured to take best advantage of individual skills, providing them with the necessary resources (Orciani, 2009).

However, Giancola (2008) argues that here are no distinct generations but rather that differences are related to individual life-cycle and career stages. Cummings and Worley (2001) share the same argument and identified the following four career life stages:

- Establishment stage (individuals between ages of 21-26)
- Advancement stage (individuals between ages of 26-40),
- Maintenance stage (individuals between ages of 40-60) and
- Withdrawal stage (individuals between ages of 60 and above).



The relevance of this announcement might be seen as contrary to the existing theory and need to be taken into account in this study. Giancola (2008) goes on by saying that race, ethnicity and social class and other factors play a role in determining human behaviour and diversity in the workforce. Therefore a better understanding of the different generations is discussed next.

2.5.2 The Four Main Generations

2.5.2.1 Veterans

The Veterans, also known as the Traditionalist or Silent Generation (Kapoor & Solomon, 2011; Zemke, Raines, Filipczak, 2001), is the generation that is identified to have lived through the Depression and two World Wars. These traumatic events in the first part of the previous century have made them adopt a loyal personality. They place more prominence on what is best for the group, rather than what is best for the individual (Artley & Macon, 2009). Foot and Stoffman (1998) further classify this generation into three sub-generations namely:

- Roaring twenties 1920-1929
- The depression babies 1929-1939
- World War II 1940-1946

For the sake of practicality of this study this generation will be referred to as Veterans that were born before the baby boomers. Because of this group's background and educational opportunities, they value hard work, conformity, sacrifice, dedication and they are often viewed as good leaders because they use military principles (Colon, 2005; Gesell, 2010; Zemke *et al*, 2001). In terms of workplace trends, the veteran's perceptions towards achievement are dependent on obeying the rules and conformity and respect for authority (Hahn, 2011; Jacobson, 2007; Orciani, 2009).

Many veterans worked only for one organisation in their lifetimes, retiring from it. The current work environment has a low composition of veteran's employees because they are either retiring or nearing retirement age. Jacobson (2007) emphasis that veterans favour systems, procedures and policies and are likely to embody a traditional work ethic. It is



important for this generation to achieve a high rank within the organisation through recognition of their experience and commitment.

With the mix of veterans and younger employees, conflict is likely to occur in the work environment, especially because of the loyalty fact which is vital for veterans but lack in importance for younger employees (Colon, 2005). The difference in values, perceptions, work ethics and general view of work and life plays a key role in any organisations where the veterans, baby boomers, generation X and generation Y need to work together in order to achieve department and organisational goals.

2.5.2.2 Baby Boomers

The name Baby Boomers originated from the rapid increase in birth rates after the World War II. An estimated 78 million were born during this period (Shaul, 2007). Gesell (2010) adds that baby boomers are the largest group in the current workforce while Yang and Guy (2006) argue that the two dominant generations in the workplace consists of Baby Boomers and generation X. Baby boomers are optimistic, values the work code as well as perusing personal satisfaction and development. Like the Veterans, Baby Boomers are also loyal employees with a strong sense of duty as well as value rank and title (Jacobson, 2007; Hahn, 2011).

The Baby boomers mentality is prevalent in the workforce as they started their career path during an increased level of competition for positions as there were fewer opportunities for advancement in their careers due to the increase in population (Artley & Macon, 2009; Sabelhaus & Manchester, 1995). The high levels of competition between individuals from the Baby Boomers lead to increased levels of competitiveness and shaped them into hardworking and independent employees (Colon 2005; Yang & Guy, 2010). Glass (2007) points out that they tend to be idealistic and will sacrifice professional and personally goals in order to achieve success. These levels of competitiveness might be perceived negative and subsequently result in conflict of teams in organisations.

Oriciani (2009) indicates that Baby Boomers have to postpone their retirement plans due to the economic disorder the world faces currently. Therefore they are seeking new methods of prolonging their careers and want to adopt and develop new skills and



behaviours to ensure they stay competitive. Meaning, managers should comprehend the competitive nature of the Baby Boomers and generate an environment where they can thrive and grow independently. They are generally excellent at networking and reaching consensus easily with others internally or externally to organisation. They have also embraced the use of technology from e-mails to blogs (Dalroth 2008; Crumpacker & Crumpacker, 2007). Therefore, organisations will encounter a major shortage of skills should these older workers not be attracted and retained for their experience and competencies.

2.5.2.3 Generation X

Oriciani (2009) indicates that Generation X can be the biggest challenge for managers with regards to managing these employees in the contemporary work environment. This generation is mainly in the early-to middle stage of their careers and they tend to challenge the status quo and look for new methods of doing things (Colon 2005; Rooy, 2010; Zemke et al., 2001). In addition, this generation averts hierarchy, considers rewards to be given for value or quality and not superiority, and prefer informal work arrangements. Most of all they prefer to work alone instead of in teams (Kapoor & Solomon, 2011; Lancaster & Stillman 2002; Sullivan, Forret, Carraher & Mainiero, 2009).

Foot and Stoffman (1998) is of opinion that the life of generation X was much easier than for the preceding Baby Boomer generation as they could find any job because of a lack of competitors. Jenkins (2008) points out Generation X'ers question authority figures and is accountable for inventing the work-life balance notion. Generation X'ers is willing to develop their skills sets and take on challenges and is perceived as very adaptive in this changing business world.

They are excellent at multi-tasking and working on projects simultaneously as long as the organisation lets them arrange the projects. However, they place high value on work-life balance and thus will put more value on personal life than to contribute to the organisation (Gursoy, Maier & Chi, 2008). Jacobson (2007) agrees with this statement and adds that Generation X views their jobs as temporary and regard themselves as free agents. Therefore, it is important that managers create an environment that Generation X finds hard to leave, which can include offering development and growth opportunities and help



to self-building job security. Generation X wants challenges and opportunities to build new skills.

2.5.2.4 Generation Y

Generation Y also referred to as "Millenials", "Echo Boomers" or "Nexters" (Hahn, 2011; Kapoor & Solomon, 2011; Lancaster & Stillman, 2002; Zemke *et al.*, 2001). Echo Boomers refer to the numerous similarities with Baby Boomers and Millenials refer to the physical differences in terms of technological equipment. By extension, Sullivan, Forret, Carraher, and Mainiero (2009) state that the characteristics of Generation Y are still unclear and are illustrated by the numerous names that have been used to label them:

- Generation Why
- The MySpace Generation
- Nexters
- The internet generation
- The greater generation

Generation Y favours teamwork and chooses to follow orders to the extent that they have flexi-hours in order to successfully complete the task in their own way (Gursoy *et al.*, 2008; Iyer & Resienwitz, 2009). Gesell (2010) and Dwyer (2009) argue that Generation Y is used to and expects immediate feedback via technologies, and if they do not receive feedback it will be perceived that no one cares.

Generation Y are the new applicants into the current work environment and this generation introduces even more challenges to multi-generational managers. This Generation uses the information channels that exist to familiarise themselves with the environment, and there is a constant need for knowledge that exist in this generation (Jacobson, 2007). Dawn (2004) suggest at this point in their lives Generation Y is seeking challenges and learning, development opportunities, as they are open-mined and goal-orientated.

The access to knowledge, for instance the internet or any other channels, which this generation depends, makes them difficult to manage (Oriciani, 2009). Moreover, this generation is considered to be the most fast paced, technologically savvy employees in the workforce and more ethnically diverse. Generation Y can be seen as the most



accepting and open to change whilst extending their respect for variety and participation (Jenkins, 2008).

Because they were continuously exposed to technology, they are therefore very comfortable with it and with change overall (Kane, 2010; Lancaster & Stillman, 2002). According to Jacobson (2007) Generation Y's core values can be seen as civic duty, achievement, sociability and morality. Generation Y prefer lots of criticism and advice, mentoring or coaching and relationships with their supervisors. Because Generation Y is outcome—oriented than method or process driven like the other generations, they would sometimes bend or possibly break some rules to attain certain results (Glass, 2007).

2.6 GENERATIONAL INFLUENCES ON REWARD

Bussin (2011) writes that each generation has diverse perspectives on rewards. The most appreciated rewards for Veterans are flexible plans, part-time hours and acknowledgment for expertise and experience, while Baby Boomers favour appreciation of hard work, healthcare and retirement benefits and independence. Generation X prefers work-life balance and rewards that are tangible, and Generation Y values learning and growth opportunities, team work, performance feedback (Reynolds, 2005; Zingheim & Schuster, 2008)

As shown by Jorgens (2003), Noble and Schewe (2003) and in South Africa by Moore (2009) as well as Nienaber *et al* (2011), different generation differences do not have different reward preferences. Hence it can be derived that creating reward packages for different generations could possibly lead to dissatisfaction amongst employees.

Nevertheless WorldatWork conducted a survey in 2008 revealing how employees manage the rewarding of multi-generations in the workplace and showed that 56% of organisations do not consider generation differences when constructing reward programmes, (WorldatWork, 2008). To put it more simply, organisations familiarity of generational differences may be limited by underestimating the value of concentrating on generation needs and rewarding them correspondingly (WorldatWork, 2008). From this overview of research the following proposition was formulated:



Proposition 4: Different generation groups do prefer different total reward factors

2.7 DEMOGRAPHICAL INFLUENCES ON REWARD

As can be expected, results from research presenting that individuals' retention or reward preferences are influenced by their personal biographical features. As shown by Nienaber, Bussin and Henn (2011), reward preferences may differ according to the number of children, age, race job level, qualifications, years of service, marital status and gender.

With regard to age, it has been found that needs change as the employee get older and employees who are older value rewards such as flexible work arrangement and ability progression rather than remuneration component (Hedge, Borman, Lammlein, 2006; Snelgar, Renard & Venter, 2013). Similarly, a longitudinal study by Twenge, Campbell, Hoffman and Lance (2010) provided findings where younger workers had a stronger preference for leisure values and work that provided extrinsic rewards. Cennamo and Gardener (2008) argue that salary and benefits have more value for older employees than for younger employees. Lawler and Charnyshenko (2008) are of opinion that employees with uncomplicated jobs may value teaching and growth possibilities more than their older peers. It could be believed that younger employees locate more prominence on promotion, growth opportunities and flexible work hours.

Regarding job level, research found that employees with dependants may prefer family-accommodating rewards, for example medical aid and life insurance, and that lower level employee's feel supplementary teaching would increase their chances for career advancement (Lawler & Carnyshenko 2008; Snelgar, Renard & Venter, 2013). Nienaber et al., (2011) supports this statement and state that employees in positions such as secretarial or junior management levels have been observed to hold considerably higher preference for remuneration and benefits when evaluated against senior and executive management. Job level group can therefore be seen as an efficient variable to categorise and reward accordingly.

Gender, as a demographic variable can also affect reward preferences (Chiang & Birtch, 2006). Nienaber et al., (2011) as well as Snelgar, Renard and Venter (2013) found that



women have stronger preferences for payment and benefits as well as a favourable work setting. Chow and Ngo (2002) claimed that high income and favourable work circumstances are believed to be appreciated by both male and female.

Considering family roles and marital status have an influence on reward preferences. According to Johnson (2005) married employees have been placing more importance on remuneration and financial rewards than their single counterparts. Gorman (2000) contributed that a focus on income may stem from lifestyle changes that can be associated with marriage, which adds to a financial pressure, for example purchase of a new house or paying children's school fees.

2.8 PERCEIVED ORGANISATIONAL SUPPORT (POS)

Employees develop an outlook or a worldwide belief about the degree to which their organisation appreciates their contribution and cares about their general well-being, which is known as their perception of organisational support (POS) as defined by Eisenberger, Singlhamber, Vandenberghe, Sucharski and Rhoades, (2002). POS is also cherished as the affirmation that assistance will be readily available from the organisation when help is needed in order to complete one's job optimally or to deal with demanding conditions (Rhoades & Eisenberger, 2002). This can result in feeling the obligation to be caution about the organisation's welfare and help the organisation reach the pre-determined goals.

2.8.1 POS Theory

The two main theories that support the existence and the research associated with (POS) is namely the organisational support theory and social exchange theory (du Plessis, 2010). These two theories will be described next.

Organisational Support Theory

The organisational support theory reveals that employees are attentive to the manner in which organisations treat them in order to distinguish the extent to which organisations is supportive of and values their contribution. Employees relate to this treatment offered to



them by agents of the organisation as suggestive of the organisation's overall favourable or unfavourable character towards them. This theory is also rooted in the social exchange theory, which will be discussed next.

Social Exchange Theory

The principle of POS results in a substantial feeling of responsibility or commitment towards the organisation. The social exchange is entrenched in the social exchange theory and rule of mutuality (Allen, Shore, & Griffeth, 2003). According to Pathbreakers (1996), the social exchange theory is centred on the norm that the exchange of communal and physical resources is an important form of human communication and interpersonal relationships. The norm of mutuality broadens this principle of social exchange to a proposal of goodwill. This social norm of mutuality consequently impacts the willingness of one person to help another obligates a person to return the favour through a shared act (Changing minds, 2010).

Not only is the role of social exchange theory frequently been used to study organisations, but also an effort to better understand the reciprocal relationship that develop between employees and the organisation (Dawley, Andrews & Bucklew, 2008). In other words, this theory suggest that when an employer treats an employee fairly and values their contribution, the employee will experience high levels of support from the organisation and as a result will feel obligated to reciprocate (Dawley, et al. 2008).

Hence, based on these views it can be argued that if individuals receive better support from their organisation, they will be more prone to return the act of goodwill towards the organisation. The employee's reciprocal act can include higher organisational commitment and loyalty, so that the organisation consequently retains the talented employee (Allen *et al.*, 2003). The opposite can also be apparent where and employee's perception of low organisation support may lead to an increased intention to withdraw from the organisation.



2.8.2 POS and Total Reward

POS has been proven to be associated to a variety of work-related attitudes and outcomes that can include factors such as job performance, social responsibility behaviours, job satisfaction, commitment to the organisation, voluntary turnover and an intention to stay at the organisation (Allen *et al.*, 2003; van Vuuren, 2006). Thus, it can be argued that individuals who perceive organisational support very high is less likely to seek and undertake alternative employment (Allen, et al., 2003, Armstrong-Stassen & Ursel, 2009; Dawley, et al., 2008; du Plessis, 2010; Harris, Harris & Harvey, 2007; Jawahar & Hemmasi, 2006; Riggle, Edmondson & Hansen, 2009).

Similarly findings from research show POS is harmfully connected to judgments of exiting the organisation (Hui, Teo & Lee, 2007; van Schalkwyk, Els & Rothmann, 2011). Equally, POS was also positively linked to remaining with the organisation. Thus, proposition 6 was formulated from this section of the literature review:

Proposition 6: A direct positive relationship exists between the employee's total reward and POS

2.9 PERCEIVED SUPERVISOR SUPPORT

Employees develop overall insights about the degree to which supervisors appreciates their contributions and is concerned about their well-being (Eisenberger, et al., 2002). This general belief is called perceived supervisor support (PSS). Supervisors act as agents of the organisation and consequently have the ability to act favourable or unfavourable towards employees (Eisenberger, et al., 2002). Employees see this as indication of the organisation's support which clarifies the strong correlation between POS and PSS (Eisenberger, et al., 2002).

2.9.1 PSS and Total Reward

Employee's satisfaction with their direct supervisor and their perception of their supervisor's willingness to care for them has been shown to reduce intended turnover and



improve the employee's commitment (Dawley, et al., 2008; Du Plessis, 2010). Therefore, a reasonable deduction would be that an improved perception of supervisor support will decrease the employee's need or intention to leave the organisation. Thus, proposition 7 was formulated from the research mentioned above:

Proposition 7: A direct positive relationship exist between the employee's total reward and PSS

2.9.2 Perceived Supervisor Support and Total Reward

Various studies have investigated the positive relationship between POS and PSS. However, very few studies have investigated the direction of the correlation between POS and PSS (Eisenberger, et al., 2002) or the mechanisms responsible for this association or the behavioural consequences of the POS-PSS relationship.

It could be argued that Perceived Supervisor Support is a foundation or precursor of POS (Allen, et al, 2003, Dawley, et al. 2008; Rhoades & Eisenberger, 2002; Shamrock & Eisenberger, 2006; Zagenczyk, Scott, Gibney, Murell & Thatcher, 2010). The organisational support theory inspires this finding that a positive relationship exists between PSS and POS (Eisenberg, 2002). In other words, all of the studies agree that a positive relationship exist between POS and PSS (Dawley, et al., 2008; Shanock & Eisenberger, 2006).

From the above discussion the researcher was able to formulate the following two propositions:

Proposition 5: Age, gender, race, qualification, industry, job level, years with company and years remaining at company play a moderating role in the relationship between total rewards and perceived organisational support (POS) as well as total reward and perceived supervisor support (PSS)

Proposition 8: A direct positive relationship exists between the POS and PSS.



From the literature discussed the researcher was able to develop a conceptual model within the generation group's context. This model will be illustrated and explained in the following sub-section.

2.10 INTEGRATED CONCEPTUAL MODEL

The different drivers of reward relate with one another, showing that retention is definitely a, multi-faceted conception (Masibigiri & Nienaber 2011). This indicates that retention is a complex topic which needs careful that needs particular attention to ensure employees remain and sustain the competitive knowledge, talents and expertise for organisation endurance.

On the basis of the literature review and the supporting propositions an integrated conceptual model is proposed in which the relationships between the constructs can be investigated as a purpose of the study to follow. The proposed path of the relationship between these constructs is demonstrated in Figure 8 with the four generations as contextual framework for the study.

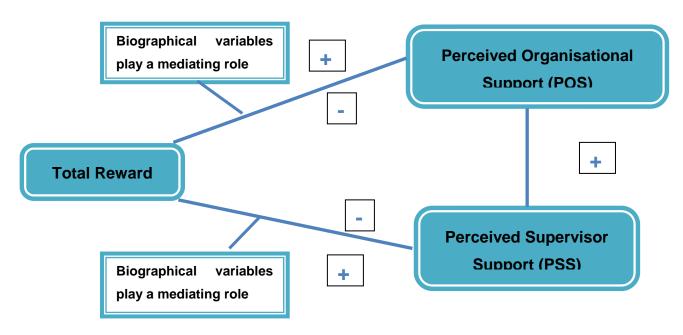


Figure 8: Integrated conceptual model



2.11 CONCLUSION

The literature review provided the foundation for the various aspects of talent retention, total reward, the link between total rewards and retention, the different generations and explanation of POS and PSS attempting to provide answers to the research objectives mentioned in Chapter 1. Reward models have certain aspects in common, namely benefits, work-life balance, performance and recognition, development and career opportunities. WorldatWork's (2007, p. 7) comprehensive model illustrates the five reward categories namely, compensation, benefits, work-life, performance and recognition and development and career opportunities. These five categories of rewards constitute the building blocks of questionnaires used to collect data for the study. In conclusion, a model that summarised the relationship and focus of the study was presented.

The following chapter will focus on the research methodology to obtain answers to the questions posed in Chapter 1.



3 CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

This chapter focuses on the empirical part of the study, while the previous chapter reviewed the literature regarding total reward for a multi-generation organisation. The discussion on the methodology includes details of the research design, sampling procedure, data collection, data analysis, as well as assessing the quality and rigour of the research design and lastly the ethics concerning this research study.

3.2 DESCRIPTION OF INQUIRY STRATEGY AND BOARD RESEARCH DESIGN

A quantitative research approach will be used for this study. Quantitative research looks at numbers and statistical interpretation of the data gathered from the questionnaires as opposed to looking at processes and meanings referring to qualitative research (Creswell, 2007). Quantitative research is concerned with the facts or responses of participants. It seeks to understand attitudes, perceptions and views of participants and explaining it, while the researcher attempts to gain a holistic understanding of the topic and literature. Moreover a non-experimental design was used. This is the most widely used method and aims to describe and explore certain research topics (Maree, 2010; O'Neil, 2010). Quantitative research falls under three main categories, namely descriptive, comparative and relationship between variables.

A cross-sectional design was used to gather the data in order to achieve the specific aims of this study. This study was conducted from a quantitative exploration paradigm enabling the researcher to generate statistical analysis to investigate the research objectives of this study. Quantitative research is appropriate for this study as statistical data was gathered. The study looked at individuals understanding and preferences or attitudes with respect to a concept. A certain context and issues were examined and therefore no qualitative data was used.



3.2.1 Characteristics of Study

The following research design characteristics were included to provide a general description which best reflects the research design for the aim of this study.

- Empirical research suggests research that is based on experimentation or observation, or evidence. Empirical research requires the units of analysis to complete a questionnaire or test a hypothesis (Leedy & Omrod 2005). For the study empirical research was conducted to create a better understanding concerning total reward for different generations and to assist human resource practices to set or determine these preferences according to several determinants or variables.
- Exploratory research is referred to as research that aims to discover new insights
 into phenomena. In addition, exploratory research approaches individuals to ask
 questions concerning certain phenomena (Saunders, Lewis & Thornhill, 2009). In
 this study exploratory research was used to reveal retention perceptions of
 employees and employers in South Africa amongst various generations.
- Cross-sectional research is research that studies a specific phenomenon at a definite time (Saunders *et al.*, 2009). This study used cross-sectional research due to the fact that data from the questionnaires was obtained on a specific time.
- Primary data are data that are specifically collected for a specific purpose of the study or project (Saunders et al., 2009). Primary data was collected to address the objectives of the study as well as to draw valid conclusions from the primary data and not existing data.
- Numeric or quantitative research was used to answer questions or relations among measured variables with the intention of clarifying, forecasting and controlling the phenomena (Leedy & Omrod, 2005). This study concentrated solely on numerical and quantitative research.

Various studies have also opted to follow a quantitative, survey research design approach during their exploration of possible relationships between an employee's POS, PSS (Chew & Wong, 2008; Dawley, et al., 2008, DeConinck, 2010; DeConinck & Johnson, 2009; Eisenberger, et al., 2002; Jawahar & Hemmasi, 2006; Shanock & Eisenberger, 2006). It is



therefore aparent that the application of a quantitative survey research design to establish the total reward, POS and PSS among different generation groups were used with sufficient success in the past and were appropriate for this study.

3.3 RESEARCH METHOD

The following section focuses on the research method for the research study in terms of the target population, unit of analysis, sampling methods as well as sampling size.

3.3.1 Target Population.

Population refers to the complete set of cases or members (Saunders *et al.*, 2009). The chairperson of 21st Century Pay Solutions Group (Pty) Ltd made their database available, which enabled the use of the sample population of 5 000 organisations and individuals in South Africa.

In addition, the individual's age's ranged between 19 and 66 and 66 upwards, and with the minimum criteria for participation in the study were at least one year's work experience and a minimum education level of grade 12.

3.3.2 Units of Analysis

Units of analysis refer to data or individuals about whom a researcher wishes to extract conclusions (Balnaves, Caputi, 2001). By extension, the unit of analysis in most circumstance is comprised of individuals (for example individual consumers or individual employees), but in other instances units of analysis can also indicate to groups.

The sample units and the units of analysis in the study will be exactly the same. The unit of analysis referred to employees because the objective of the study will be to understand the perceptions and preferences for retention strategies for different generations, where the sample units were individuals based in organisations in South Africa.



3.3.3 <u>Sampling Method for Choosing Respondents</u>

The research problem suggests that mainly a quantitative research should be conducted to ascertain the current and importance status of retention practices. In this case of non-probability sampling was used, where the researcher has no method of predicting or assuring that each component of the population will be represented in the sample. More specifically, there are different types of non-probability, namely convenience sampling, quota sampling as well as purposive sampling (Saunders *et al.*, 2009).

For this study convenience sampling was the desired sampling technique for as the researcher has access to a database of total of 5000 organisations and individuals of 21st Century Pay Solutions Group. Convenience sampling utilises people or units that are readily available (Saunders et al., 2009). Convenience sampling identifies a representative subsection of a population by taking individuals or other units that voluntarily accessible into account.

3.3.4 Sample Size

Sampling refers to the process to select a portion of the population for a study. The total rewards questionnaire will be send to individuals in various sectors of the South African economy. The degree to which a sample reflects the population is known as representivity and in quantitative research this is a defensive factor in determining the adequacy of a study (Coughlan, Cronin & Ryan 2007). The size of the sample of any study is therefore essential. More specifically, the sample size in quantitative research should not be too small, as small sizes are at risk of being overly representative of small groups within the targeted population (Coughlan, Cronin & Ryan, 2007).

The questionnaire developed (please refer to Appendix A) has been sent out by electronic mail to the entire population of 5000 organisations and individuals' remuneration specialist on the database of 21st Century Pay Solutions Group. Rogelverg and Luong (2007) reasons that the typical return rate for mailed questionnaires is 50 % or lower, and that they found in recent years it has declined steadily. They also suggest that a bigger sample size is necessary to ensure appropriate response rates.



3.3.5 Sample Statistics

Descriptive statistics is referred to as a technique used to describe the numerical results in simpler forms and the descriptive statistics model is a useful summary of the data (Field, 2009). The key factors under descriptive statistics that was concentrated on are frequency analysis. Frequency tables aim to describe the sample by means of various descriptions such as counts, percentages and cumulative percentages.

A total of 318 responses was received form a population of 5000. After cleaning the data only 303 responses could be used. This is a response rate of 4,3 %. The demographic breakdowns of the participants are discussed below. The demographic breakdowns or characteristics of participants include age, gender, race, highest qualification, industry type, job level, and years with company, and intent to stay with company.

Table 8: Characteristics of participants

Biographical	Category	Frequency	Percent	Cumulative
				Percent
Age	<31 years	46	15.2	15.2
	32-47 years	114	37.6	52.8
	48-66 years	134	44.2	97.0
	>66 years	9	3.0	100.0
Gender	Male	147	48.5	48.5
	Female	156	51.5	100.0
Race	Black	47	15.5	15.5
	Coloured	12	4.0	19.5
	Indian	20	6.6	26.1
	White	221	72.9	99.0
	Other	3	1.0	100.0
Qualification	Grade 12/ Matric or	13	4.3	4.3
	lower			
	Certificate/ diploma	44	14.5	18.8
	Degree (3-year)	67	22.1	40.9
	Honours	104	34.3	75.2



	Masters	63	20.8	96.0
Industry types	Doctoral/ PhD	12	4.0	100.0
	Extractive	xtractive 7		2.3
	Transformative	51	16.8	19.1
	Producer Services	109	36.0	55.1
	Social Services	66	21.8	76.9
	Logistics and	18	5.9	82.8
	Transport			
	Personal Services	5	1.7	84.5
	Other	46	15.2	99.7
Job level	Staff (Administrative		10.9	10.9
	and Operational)	33		
	Specialist/ Technical	38	12.5	23.4
	Junior management	28	9.2	32.7
	Senior management	82	27.1	59.7
	General/ Executive	102	33.7	93.4
	management			
	Other	20	6.6	100.0
Years in current organisation	Less than 3 years	49	16.2	16.2
	2-5 years	59	19.5	35.6
	5-10 years	63	20.8	56.4
	More than 10 years	131	43.2	99.7
Intent to remain at organisation	At most 1 year	34	11.2	11.2
	At most 2 years	35	11.6	22.8
	At most 5 years	65	21.5	44.2
	More than 5 years	169	55.8	100.0

Table 8 indicated that the age group which provided the largest response was between 48 and 66 years group (44.2%). The groupings of >66 years (3.0%) and (31%) years (15.2%)



provided the smallest return. The age distribution included respondents older than 66 years of age who were part of the workforce. These age groupings were not sufficient to the purpose of this study which aims to investigate the perceptions of the four main generation groups.

It was decided that the age group >66 would be added to the group of 48-66 because of the low number of respondents and for the purpose of the statistical analysis.

Table 8 focuses on the responses received from the gender groupings. From this table it is evident that 51.5 % of the responses were from females. Very few Coloured and Indian respondents were prevalent in the sample. From this table it is evident that 72.9% of the responses came from white respondents. The group "other" may include Asian or Chinese.

From table 8 it shows the qualification distribution of those who responded. The qualification group with the largest response was the Honours group, which provided 34.3% of the responses. The Doctoral or PhD grouping provided the smallest (4.0%) return rate. Table 8 indicates the industry type's distribution of those who responded. From table 8 it is evident that the majority of the respondents were form the producer services sector (36.05%). The producer services includes the following services namely banking and financial, insurance, real estate, engineering, consultancy, accounting, legal services, research. IT and miscellaneous business services.

The distribution of job levels obtained from the sample as indicated in table 8 represent the distribution of a hierarchical type of organisations, where organisational levels and ranks can be correlated. What is interestingly is that table 8 shows that 33.7 % of the respondents are in the general or executive management position, 27.1 % of the respondents are a senior management position and 12.5 % of the respondents are in a specialist or technical position.

The groupings from which the largest responses came from were the more than 1 years grouping, 5-10 years and 2-5 years. These three groupings had a percentage of 43.2 %, 20.8 % and 19.5 % respectively.



Table 8 provide insights into the responses received according to the length of time that personnel still wishes to remain at their current organisation. The grouping from which the largest response came was the more than 5 years grouping (55.8%) that makes more than half of the percentage of the whole sample. The smallest grouping came from the at most 1 years grouping (11.2%)

The most significant findings from the frequency analysis conducted above can be summarized as follows:

Highest job level group was the General or Executive management (102 responses)

The larger part of the responses can be assigned to the following groupings:

- Age group 48-66 (134 responses)
- Female (156 responses)
- White (221 responses)
- Honours (104 responses)
- Producer Services (109 responses)
- More than 5 years with organisation (131 responses)
- Intent to remain (169 responses)

3.3.6 Data Collection

Data collection refers to the collection of facts, opinions and then recorded for reference or for analysis (Saunders et al., 2009). Different data collection methods exist such as observations, semi-structured, in-depth or group interviews, questionnaires or surveys (Saunders et al., 2009).

This study was conducted by electronic means by distributing the self-administered questionnaire through a web survey. This enabled the research to be controlled and concentrated on the research objectives. The self-administered questionnaire was designed and distributed using the SurveyMonkey website. SurveyMonkey is a research tool that allows the online collection of responses. More specifically, a link was created on the website, which was e-mailed to the prospective participants. The participants were then able to open and complete the questionnaire immediately.



The data collection instrument/ questionnaire will be described in the following section on measuring instrument, pre-/pilot testing and duration of data collection.

3.3.7 Self-administered Questionnaires

In quantitative research various approaches can be implemented once data needs to be collected, such can include interviews, attitude scales, questionnaire or observational tools. Where questionnaire are the most generally used approach when collecting method which consist mostly of closed ended questions with a choice of fixed numbers. A questionnaire is described as a technique of collecting main data through communication with a representative sample of individuals. Questionnaires can be administered in different ways, such as face-to-face, postal, telephonically or via the internet (Saunders et al., 2009).

When the questionnaire option is selected, the researcher must make sure it is supported by the main qualities of questionnaires, as outlined in Saunders et al (2009, p 364). Therefore the self-administered questionnaire was selected as the preferred measurement instrument for collecting data about the total reward for the following reasons: it was assumed that the individuals would be computer-literate, targeting the right individuals in the population, there was a low likelihood of contamination or distortion of respondents answers, it was suitable for a large sample that can be geographically dispersed, a feasible length of the questionnaire, closed questions which were not too complicated, low financial resources required and data input is usually automated (Saunders et al, 2009, p. 264).

Moreover, Zhang (2000) emphasise several disadvantages and advantages for using internet-based surveys.



Table 9: Advantages and disadvantages of internet-based surveys

Advantages:	Disadvantages:	
It is generally less-time and cost consuming to collect data.	The respondents may or may not feel comfortable using the survey tool or may or not be willing to reveal requested information.	
Target population can complete the survey at their convenience.	The respondent's may not have equal access to the internet.	
They easily reach potential respondents in geographical remote areas.	Most internet-based surveys depend on self- selected respondents.	
Questionnaires are more objective due to the fact that responses are generated in a standard way.	The respondents might answer superficially, especially if the questionnaire becomes time-consuming.	
They offer a means of surveying a large group of individuals effectively.	Questionnaire are standardised, therefore it creates a limitation for explaining complex points. However, this could be solved by piloting the questions.	

Source: Researcher's own table, Zhang (2000)

3.3.8 **Measuring Instruments**

During the execution of this study a questionnaire or survey has be conducted to collect quantitative data. The questionnaire design and layout layout of the measuring instruments used comply with the guidelines as stipulated in Saunders *et al.*, (2009). These guidelines suggested that the questionnaire should contain questions that were easy to grasp, were relevant and complex terms were explained to the candidate. The self-administered questionnaire was regarded as user-friendly and designed for ease of completion. The questionnaire had required to complete each question before moving on to the next question.

The total reward, organisational support and supervisor support of the South African multigeneration workforce were measured in relation to their organisation. Three constructs were consequently measured:



- 1. Total reward Components (which included the biographical questions)
- 2. Perceived Organisational Support;
- 3. Perceived Supervisor Support.

Biographical information

Limited research could be discovered that focused the matter of which biographical variables or features should be included in studies concerning different generation groups' total reward preferences that organisations offer. Research from leading search engines such as EBSCOhost, Emerald and Google Scholar indicated that the following biographical variables or characteristics could possibly influence talent management:

- Age;
- · Qualification and
- Level of work (Masibigiri & Nienaber, 2011; Du Plessis, 2010; Capelli & Novelli, 2010).

Taking the literature into consideration, it was decided to include the following biographical variables for the purposes of this study:

- Age (<31, 32-47, 48-66 and 66+)
- Gender (Male and Female)
- Race(Black, Coloured, Indian, White and Other)
- Highest academic qualification (Grade 12/ Matric or lower, Certificate/ diploma, Degree (3 year), Honours, Masters, PhD)
- Industry (Extractive, transformative, producer services, social services, logistics and transport, personal services, other)
- Job level (Staff, specialist/ technical; Junior management, Senior management,
 General/ Executive management and other)
- Number of years with company (Less than 3 years, 2-5 years, 5-10 years, more than 10 years
- Remain at organisation (At most 1 years, at most 2 years, at most 5 years and more than 5 years)



Table 10 provides a description of each of the industry or sector types which participated in the study.

Table 10: Industry types descriptions

Industry Type	Clarification
Extractive	Agriculture, forestry and paper, mining, oil and gas
Transformative	Construction and building, manufacturing, electrical, machinery,
	automobile, pharmaceutical
Producer services	Banking and financial services, insurance, real estate/property,
	engineering, accounting, consulting, legal services, research, IT,
	miscellaneous business services
Social services	Medical and health, education, welfare, non-profit organisations,
	postal services, government, state-owned enterprises, religious
	services
Distributive services	Transportation and logistics, communication, wholesale and retail
Personal services	Barber and beauty services, domestic services, entertainment and
	leisure, media and advertising, eating and drinking, hotel, laundry,
	miscellaneous personal services, repair services
Other	Utilities and energy, music, environmental services, aircraft, airline
	or defence.

Source: Reward Online Library (2010)

The items can be viewed in Part 1 of Appendix A

Total reward questionnaire

The Total reward questionnaire was compiled from the seven Retention Factor Scale and WorldatWork' reward model's 5 main components. The total reward instrument used by Moore (2009) showed a Cronbach alpha of 0.821. Döckel (2003) developed the Retention Factor Scale (RFS) in order to measure participant's satisfaction with the following seven retention factors: compensation, job characteristics, opportunities for training and development, supervisor support career opportunities, work-life balance and commitment to the organisation. This Retention Factor Scale reported a Cronbach Alpha of 0.80 for the



instrument's reliability. The Total Rewards Model Questionnaire contains the following components:

- Compensation (5 items)
- Benefits (12 items)
- Work-life balance (8 items)
- Performance management and recognition (5 items)
- Development and career opportunities (7 items)

Moreover, the Total Rewards Questionnaire consists of 37 closed ended questions. There were two separate scales used to determine current utilisation and level of importance. Current utilisation were indicated on the five point scale ranging from to no extent (1) to a very great extent (5), while the level of importance was indicated on a six-point Likert-type scale ranging from not important at all (1) to extremely important (5) as well as not applicable option (6).

Question 6B of the Total Reward Questionnaire consisted of a ranking question where the participant could rank the five main components in order of importance according to their preference.

Survey of Perceived Organisational Support (SPOS)

Part three consists of POS. The Survey of Perceived Organizational Support (SPOS) measures the employee's perception of the organisation's attitude towards them (Shore & Tetrick, 1991). As a result one can conclude that the SPOS aims to measure the POS of the employee. The shortened version of the SPOS consists of six items that requires the respondent to indicate the extent of their agreement with each statement on a five-point Likert-type scale ranging from strongly disagree (1) to strongly agree (5). Du Plessis (2010) study indicated a 0.863 Cronbach Coefficient Alpha, which indicates that the SPOS is highly reliable, and can consistently measure POS in a recruitment organisation.



Survey of Perceived Supervisor Support (SoPSS)

This instrument aims to evaluate the employees' perception that their supervisor values their input as well as is concerned about their welfare. As a result one can conclude that the SoPSS aims to measure the PSS of the employee. In order to assess this, it was adapted from the SPOS in the same manner as Eisenberger, et al. (2002) and Shanock and Eisenberger (2006). They replaced the word organisation with the term supervisor throughout the SoPSS in order to determine the employees' PSS. The questionnaire consequently also consists of eight items and requires the respondents to score their answers on a seven point Likert-type scale ranging from strongly disagree (1) to strongly agree (5). Du Plessis (2010) study indicated a 0.886 Cronbach Alpha Coefficient, which indicates that the SoPSS is highly reliable, and can consistently measure PSS in a recruitment organisation.

3.4 RESEARCH PROCEDURE

The following subdivision explains the research procedure in terms of pre-pilot testing and the duration of data collected.

3.4.1 Pre/ Pilot Test

Prior to using the questionnaire to collect the pertinent data, it should be pilot tested (Saunders et al., 2009). A draft copy of the questionnaire was allocated to five respondents randomly chosen in a pilot study. The comments and advice from the five test participants added considerable value within the refinement process to the final questionnaire. Any suggestions on structure and questions were taken into account in order to ascertain content validity and also for the researcher to make amendments prior to testing the final population group in the sample group similar to those participants in the pilot test (Saunders *et al.*, 2009).

Bell (2005) highlights that it is vital to conduct a pilot test as the pilot test can provide vital information such as duration it took to complete the questionnaire, the clarity of the instructions, and which of the questions was hard to understand or created an uneasy



feeling, whether or not the layout was clear and attractive and encouraged participation and any other valuable comments for improvement.

The final questionnaire was emailed to the potential respondents only after the essential alterations had been corrected. Prospective respondents were invited to complete the questionnaire on the online website named SurveyMonkey.

3.4.2 **Duration of Data Collection**

Saunders et al., (2009) proposes a completion period of two to six weeks for the respondents to complete a questionnaire. For this study the sample group was allowed four weeks to complete the self-administered questionnaire via the internet.

3.5 STATISTICAL ANALYSIS USED

The quantitative research produced a great amount of responses that needed to be examined in order for the researcher to form relevant and effective conclusions. Fowler (2009) agrees with the statement and added that raw data gathered from a questionnaire need to be interpreted into a suitable form in order to manage the analyses.

With the completion of the questionnaire, which should not have taken longer than 15 minutes, the respondents could just submit the questionnaire responses and the respondents' answers would remain on the data base of SurveyMonkey. SurveyMonkey also auto-saved the respondents' questionnaires during the completion of the questionnaire to ensure that no data were lost. Thus, the respondents did not need to send back the answers to the researcher.

In this case, the data was extracted from the SurveyMonkey website and situated into an Excel file format. This Excel format made it possible to upload the data to a statistical software package. Analysis of the data was analysed using the Statistical Programme for the Social Sciences (SPSS) Program (SPSS Inc, 2012). The following statistical analysis was used to analyse the data:



- Sample statistics. Frequency Analysis was utilised to describe the biographical information of the sample obtained. Frequency tables represent the easiest kind of data analysis according to Hill and Lewicki (2007). Moreover, this type of analysis focuses on the description of the sample through counts and percentages.
- Factor Analysis refers to a technique used to take a large set of variables and reduced or summarise the data using a smaller set of factors or components (Pallant, 2011). Factor analysis is also seen as a session of multivariate numerical approaches whose primary objective is to describe the fundamental structure in data matrix. In this study factor analysis was used to determine how each subcomponent of the total reward questionnaire load on the five factors identified by WorldatWork, 2007.
- Reliability Analysis. Reliability measures the consistency or repeatability of an instrument (Saunders et al., 2009). It indicates the degree to which the instrument measures similar results each time it is used under the same condition with the same subjects (Saunders et al., 2009).
 - The most general measure of reliability analysis is the Cronbach alpha. For this study Cronbach's Alpha Coefficient was used to determine the reliability of the three instruments. Cronbach's Alpha methods split the questions in an instrument every possible way and computes correlations for them all (Saunders et al., 2009). The average of these values is equivalent to Cronbach's Alpha correlational coefficient (Field, 2009).
- Pearson product-moment correlation was calculated as the analysis of the relationship between measured variables was obtained. This provided the researcher with an analysis of the degree of a linear relationship between different variables (Field, 2009).
- Multiple regressions' purpose is to explain the connection between one continuous dependent variable and a number of independent variables or predictors in a complex real-life situation (Pallant, 2011). Multiple regressions are based on correlation and do not reveal casual relationships. Multiple regression analysis was conducted to analyse the relationship between a single dependent variable (total reward components) and several independent variables (POS, PSS and biographical variables).



- T-test refers to a comparison between the mean scores of two different groups of people or conditions (Pallant, 2011. Field 2009). In this case the t-test analysis was conducted to determine the significant differences in mean scores for gender group in terms of total reward preferences, POS and PSS.
- ANOVA. Overall, the aim of analysis of variance (ANOVA) is to test for significant differences or variances between means of different groups (Pallant, 2011).
 ANOVA (one-way analysis of variance) calculations were used to determine significant differences between the different generation's total reward and background variables existed. More specifically, a confidence interval level of 95 % will be used to determine statistical significance where p < 0, 05.

3.5.1 Completeness of Data

Specific attention has been given to the accuracy and completeness of the questionnaires. Questionnaires that were fully completed were regarded as not applicable and were not included in the data analysis. SurveyMonkey, on which the questionnaire was designed, grouped all the complete responses and incomplete responses separately. Only the completed responses were taken into account for the purpose of this research.

3.6 ASSESSING AND DEMONSTRATING THE QUALITY AND RIGOUR OF RESEARCH DESIGN

Assessing and demonstrating the quality and rigour of the research design implies that the researcher identifies the possible source of bias and error in the research findings, as well as the methods to overcome these challenges. Thus, the researcher should attempt to minimise the possibility of the respondent getting the answer wrong, and is important to select the most appropriate research design for the study (Saunders et al., 2009). The next section will concentrate on methods to ensure research rigour.

3.6.1 Overcoming Bias and Error

Saunders *et al.*, (2009) advises the following techniques for overcoming bias and error in the research for this study:



Reliability refers to the degree to which data gathering process or techniques will result in trustworthy discoveries, similar clarification can be made, or conclusion by other researchers or if there is precision in how logic will be obtained from the raw data (Saunders et al., 2009). Reliability can be ensured by retaining notes relating to the research design, the reasons for choice of the research methods and data collected, therefore allowing the researcher to understand the underlying concepts of the study.

Preparation implies that the researcher is obliged to illustrate how credibility will be demonstrated. All the preparation methods, techniques and procedures were explained in detail. This will lead to engaged and confidential participation.

Credibility was achieved by informing participants of the purpose of the study. The participants were informed about the approach in answering the questionnaire. In this study none of the participants suffered from any disruptions or difficulties, as the study offered participants to complete the questionnaire in their own time and place. This shows there was no necessary consideration for the finding of an appropriate location for the successful completion of the questionnaire.

Validity can be described as the level which a dimension instrument or procedure for instance a questionnaire generate valuable outcomes (ACES, 2007). To put it in another way, validity referred to what the purpose of what the test intended to measure and how well it does so (Collins *et al.*; Foxcroft & Roodt, 2009). The questionnaire focused on the following aspects regarding validity as required by Saunders et al., 2009):

- Internal validity will ensure that the tool or process used will measure what it intends to measure as in this case the total reward among the generations.
- Criterion-related validity postulates that the researcher will be able to forecast the consequence of the members
- Construct validity ensures that the questionnaire will measure the attendance of those concepts it aims to measure.

In addition Fink (2009) mentions two aspects over and above the before mentioned that determine the questionnaire's validity:



- Predictive validity refers to the manner which the questionnaire will predict the individual's actual feeling or preferences.
- Concurrent validity, can be derived if there is another measurement with which the results can be compared to.

A notification of the closing date of the questionnaire was e-mailed to participants and four weeks was allowed for the targeted population to complete the questionnaire without any pressure inflicted from the researcher. A notice letter reminding the employees of the closing date was sent two weeks after the questionnaire had been sent out.

3.7 RESEARCH ETHICS

Research ethics can be defined by Saunders et al., (2009) as issues relating to formulation of the research problems, research designs, access to the respondents, collecting of data and the reporting of findings in a moral and responsible way. The researcher obtained ethical clearance from the chairperson of 21st Century Pay Solutions Group to make use of the database available.

An orderly and systematic manner was followed to ensure that objectivity was maintained at all times and no comments or answers were imposed to the respondents. The researcher was available if any questions or concerns arise and data was recorded on the researchers' personal laptop as well as on a back –up flash drive. No financial or non-financial incentives were used to encourage participation.

According to Leedy and Omrod (2010), ethical issues can fall into four categories. These categories included protection from harm, informed consent, right to privacy and honesty with professional colleagues. These categories were considered in the study as the use of individual subjects required a close investigation at the ethical implications of the study that one is proposing.

 Protection from harm- respondents should not endure any physical or psychological harm during participation in the study. The proposed study will



therefore avoid any physical or psychological injury as well as any stress, embarrassment or loss of self-esteem to the respondents as a result of the study.

- Informed consent- includes a number of issues that should be considered. Appendix B contains the consent form that was used in this research study. The consent form includes a brief description of the study and the duration of the questionnaire, a statement that participation in the study is voluntary, that the study is anonymous and confidential; the consent form also included contact details of the researcher.
- Right to privacy- a researcher should ensure the anonymity and privacy of respondent at all times. The study ensured anonymity and confidentiality of the respondents by not asking respondents to state any personal information. The participants that agreed to complete the questionnaires was reassured that it is completely anonymous and that their personal details such as age, gender and marital status are kept strictly confidential.
- Honesty with professional colleagues- One should always report research findings in an honest fashion, no fabrication of data or misleading research findings should be stated, the research data should be stored safely and the researcher should be honest and objective.

Ethical issues became apparent during the different stages of the research study. Saunders et al. (2009) contributes to the ethical issues by stating the different issues that follows in the study. Table 11 provides a summary of the different ethical issues found at various stages in the research.

Table 11: Ethical issues at different stages of research

General ethical issues	Stages of research	Stage-specific ethical issues
Privacy, voluntary nature, consent, deception, confidentiality, anonymity, embarrassment, stress, harm, discomfort, pain,	Formulating and clarifying the research topic	Researcher's right to absence of sponsor coercion, sponsor's right to useful research, sponsor's right to quality research



objectivity, quality of research		
	Designing the research and gaining access	Researcher's right to absence of gatekeeper's coercion, participant's right to be fully informed, participant's right to privacy, sponsor's right to quality research
	Collecting the data	Researcher's right to absence of sponsor's coercion, researcher's right to safety, participant's right to safety, participant's right to informed consent, participant's right to withdraw. Participant's deception. Participant's right to confidentiality, organisation's right to anonymity
	Processing and storing of data	Participant's right as individuals to the processing and storing of personal data
	Analysing the data and reporting on findings	Researcher's right to absence of sponsor coercion, right of the organisation to confidentiality or anonymity, participant's right to confidentiality or anonymity and sponsor's and participant's right to quality research.

Source: Saunders et al (2009, p. 188)

Some views regarding dealing with ethical issues during the process of the study:

- Firstly the participation was voluntary; no involuntary individuals were forced to complete the questionnaire.
- Secondly, participants were informed of the research as it includes the purpose and the benefits regarding the participation in this research.



- Thirdly, participants gave their informed consent by means of answering the first question that poses that the participant hereby gives their informed consent and by means of completing the questionnaire.
- All responses were anonymously and handled with utmost respect.

3.8 CONCLUSION

The research methodology chapter focused on the methods and processes that needed to be undertaken in order to execute the study. This included the research design, the population, the unit of analysis and sampling method. A short discussion on the data analysis, assessing the rigour of the study as well as ethical considerations was also included. The following chapter, namely Chapter 4, will report and discuss the results and findings of the data analysis.



4 CHAPTER 4: RESULTS AND FINDINGS

4.1 INTRODUCTION

In this chapter the focus is on portraying and inferring the results obtained from the statistical procedures as described in Chapter 3. It will detail the descriptive statistics and results regarding the reliability of the instruments, factor analysis, possible correlations between constructs as well as the differences between groups.

The following assessments were administered in different industries or organisations in South Africa:

- Total Reward Questionnaire (that included biographical information)
- The Survey for Perceived Organisational Support (SPOS)
- The Survey for Perceived Supervisor Support (SoPSS)

In order to answer and to test the propositions for this study the following statistical processes were conducted:

- 1. Descriptive this forms part of chapter 3 of the sample statistics
- 2. Factor analysis and reliability analysis was done first to test the quality and trustworthiness of the 3 instruments used. These two pre-tests will be discussed under measurement models.
- 3. Mean statistics: proposition 1 and proposition 4
- 4. Current utilisation verses level of importance: proposition 2 and 3
- 5. ANOVA: proposition 5
- 6. T-test: proposition 5
- 7. Hierarchical regression: proposition 5
- 8. Pearson-moment correlation: proposition 6, 7 and 8



4.2 MEASUREMENT MODELS

4.2.1 Reliability Analysis

Before further analysis was done, Cronbach Alpha coefficients were calculated to determine the reliability of the three measurements used during this study. According to Foxcroft and Roodt (2009) reliability refers to consistency in measurement to determine how repeatable the results are. Reliability also refers to the accuracy and efficiency of an instrument

Reliability testing is essential because of the fact that decisions cannot be based on results that cannot be repeated. The result of the reliability analysis is a reliability coefficient (r) where 0 indicates a completely unreliable test and 1 indicates a completely reliable test. The results of each of the reliability and item analysis for each instrument will be reviewed next.

Total Rewards questionnaire

A reliability and item analysis was conducted on the subscales of the Total reward Questionnaire. The mentioned sub-scales of Total reward and their respective reliability scores are as follows:

The table underneath shows the reliabilities for the different retention categoriescompensation, benefits, work-life balance, performance and recognition, development and career opportunities.

Table 12: Reliabilities for the different Total Rewards sub scales

Measurement	Cronbach
	Alpha
Compensation- Current utilisation	0.686
Compensation- Level of importance	0.720
Benefits- Current Utilisation	0.848
Benefits- Level of importance	0.885



Work-life Balance- Current Utilisation	0.756
Work-life Balance- Level of importance	0.810
Performance management and recognition- Current Utilisation	0.856
Performance management and recognition- Level of Importance	0.823
Career Development and Opportunities- Current Utilisation	0.886
Career Development and Opportunities- Level of Importance	0.889

From the above table it is apparent that the Cronbach Alpha for benefits, work-life balance (level of importance), performance and recognition and career development and opportunities are above 0.8, which is a preferred Cronbach Alpha that displays a high internal consistency. However, for compensation- current utilisation shows a Cronbach Alpha of 0.686 which is close to 0.7 which is acceptable for reliability.

A higher Cronbach Alpha implies that the questionnaire will be more reliable. In other words if the Cronbach Alpha is closer to a value of 1, the questionnaire can be seen as more reliable. A Cronbach Alpha of 0.7 is acceptable for reliability of the Total Rewards sub-scales. Conversely a Cronbach Alpha of 0.8 is preferable for the Total Rewards sub scales.

Survey of Perceived Organisational Support (SPOS)

The reliability statistics from the POS Questionnaire indicates a Cronbach Alpha Coefficient of 0.928 from the six items used in the POS questionnaire.

According to Pallant (2011) a Cronbach Alpha of 0.70 or higher is considered acceptable and a 0.80 is preferable. For POS a 0.928 Cronbach Coefficient Alpha which shows that the POS Questionnaire is highly reliable and can therefore be seen as a strong measure for POS in South African organisations.

The table underneath show the item total statistics with the reliability Coefficient (Cronbach's Alpha) if the item was deleted.



Table 13: Item total statistics for POS

Deleted items	Raw variable		
	Correlation with Total	Alpha	
POS1	0.744	0.921	
POS2	0.802	0.914	
POS3	0.755	0.920	
POS4	0.789	0.916	
POS5	0.816	0.912	
POS6	0.845	0.908	

The main function of item total statistic are to improve the total-score reliability, the selection of better item sequences as well as better types of score distributions. Item analysis procedures focuses on differentiating between higher and lower items. The above table illustrates that each of the items apparent in POS Questionnaire correlates highly with the total score and the omission of none of the items will contribute to a higher Cronbach Alpha for the total score. Du Plessis (2010) study indicated a 0.863 Cronbach Coefficient Alpha, which indicates that the SPOS is highly reliable, and can consistently measure POS in a recruitment organisation.

Survey of perceived supervisor support (SoPSS)

The results revealed a Cronbach Alpha Coefficient of 0.952, which indicates that the PSS questionnaire is highly reliable and consistently measure PSS as the main theme in South Africa organisations.

The next table, table 14 present the item total statistics with the reliability coefficient if the item is deleted.



Table 14: Item total statistics for PSS

Deleted items	Raw variable		
	Correlation with Total	Alpha	
PSS1	0.855	0.943	
PSS2	0.857	0.942	
PSS3	0.798	0.949	
PSS4	0.866	0.941	
PSS5	0.864	0.941	
PSS6	0.868	0.941	

Table 14 depicts that each of the six items in the PSS Questionnaire correlates highly with the total score and that omission of none of the items will contribute to a higher Cronbach Alpha for the total score. Du Plessis (2010) study indicated a 0.886 Cronbach Alpha Coefficient, which indicates that the SoPSS is highly reliable, and can consistently measure PSS in a recruitment organisation.

4.2.2 Factor Analysis

Factor analysis is referred to as a technique to summarise or reduce a large set of variables using a smaller set of factors or components (Pallant, 2011). The 38 items of the Total reward Scale were subjected to Maximum Likelihood using SPSS version 21. Prior to performing Maximum Likelihood, the suitability of data for factor analysis was assessed. Inspection of the correlation matrix revealed the presence of more than one coefficient of 0.3 and above.

The Kaiser-Meyer-Olkin (KMO) values as well as Barlett's Test for Sphericity for compensation, benefits, work-life balance, performance management and recognition and development and career opportunities is illustrated below in the next table.



Table 15: KMO and Barlett's Test of Sphericity for the main components

	KMO	Barlett's Test Of
		Spheriticty
Compensation	0.733	0.00
Benefits	0.857	0.00
Work-life balance	0.806	0.00
Performance Management and recognition	0.800	0.00
Development and Career opportunities	0.898	0.00

Table 15 shows the KMO values were above 0.6 and the Barlett's Test of Sphericity values reached statistical significant, therefore supporting the factorability of the correlation matrix. For components benefits and work-life balance principal component analysis revealed the presence of more than one component with eigenvalues exceeding 1.

More specifically for the benefits component showed the presence of three factors with the eigenvalues exceeding 1, explaining 45,95 %, 13,51 %, and 10,18 % of the variance respectively. A review of the scree plot revealed a clear break after the third factor. It was decided to retain three factors for further exploration. The results revealed that there were strong loadings on all three factors. This is shown in the pattern matrix in table 16.

Table 16: Pattern Matrix for benefits component as sub section of Total Rewards

Benefits components	Factor 1	Factor 2	Factor 3
B2.18 Cell phone allowances	1.060		101
B2.17 Car allowances	.694		
B2.16 Laptop and internet/ 3G	.466		.225
B2.21 On-site crèches		.945	
B2.22 On-site Dry cleaning		.930	
B2.20 Uniforms		.599	
B2.24 Counselling		.470	.247
B2.14 Disability benefits			.874
B2.13 Medical aid Benefits			.842



B2.23 Provident or pension fund		103	.764	
B2.15 Insurance		.190	.693	
B2.19 Personal safety and security	.139		.468	
in the workplace				

It is recommended that an item should have a value of 0.3 or above in order to be considered to load strongly on the respective factors (Field, 2009). As can be seen from the pattern matrix table for the benefits components, there are three items higher than 0,3 that loads on factor 1, four items higher than 0,3 that load on factor 2 and five items higher than 0,3 that load on factor 3.

Therefore it was decided to split and rename the three distinct sub-factors for benefits. The renaming of the factor loadings is shows in the next table 17.

Table 17: New benefits factors names and loadings

Commu	inication work		Life convenience Factor 2		ts and safety 3
Factor '	1				
B 2.16	Laptop and internet/ 3G	B2.20	Uniforms	B2.13	Medical Aid Benefits
B2.17	Car allowances	B2.21	On-site crèches	B2.14	Disability benefits
B2.18	Cell phone	B2.22	On-site dry	B2.15	Insurance
	allowances		cleaning		
		B2.24	Counselling	B2.19	Personal safety and
					security in the workplace
				B2.23	Provident or pension fund

Against the backdrop of the discussion, the researcher decided to work with the 7 components for total rewards rather than the original 5 total reward components.

Moreover for the work-life balance component shows the presence of two factors with the eigenvalues exceeding 1, explaining 43. 69% and 15.94 % of the variance



respectively. An inspection of the scree plot revealed a clear break after the second factor. It was decided to retain two factors for further investigation. There are strong loadings and all the variables loading substantially on the two factors. This can be seen in the factor matrix for work-life balance component.

Table 18: Pattern matrix for work-life balance as sub component of Total reward

Benefits components	Factor 1	Factor 2
B3.9 Telecommuting	.389	.492
B3.10 Flexible hours	.257	.555
B3.11 Community contribution	.493	.330
B3.12 Maternity leave	.873	183
B3.13 Paternity leave	.898	127
B3.14 Study leave	.675	.131
B3.15 Sabbatical leave	.469	.393
B3.16 Comfortable work environment	.374	.345

From this pattern matrix it can be seen that items telecommuting and flexible hours are the only two components that load on factor 2. Less than three items are insufficient to form a factor on a higher level, because it is too unstable. (Field, 2009). Therefore it was decided to **delete item B 3.9 and B3.10.** Only items B3.11 to B3.16 were used in the rest of the statistical analysis.

4.3 MEAN STATISTICS

4.3.1 Total Reward Components

For this part, the lowest mean was compared to the sample. The respondents were asked to rank the 5 Total Reward components in order of importance to retain them. This means that the lower the mean statistic, the higher the respondents ranked the component.

For the total (234) respondents the following was ranked in order of importance which is illustrated in the next table 19.



Table 19: Mean statistic of Total Reward components in order of importance for sample

Total reward components	Mean statistic
Compensation	2.256
Work-life Balance	2.675
Benefits	3.098
Career Development and Opportunities	3.482
Performance Management a	nd 3.487
Recognition	

This means the five Total Reward components are ranked or preferred as follows in order of importance: compensation, work-life balance, benefits, career development and opportunities and lastly performance management and recognition

4.3.1.1 Age Groups

Next, the highest mean of each generation group was compared. Due to size of each of the generation groups, it had to be re-grouped into three groups in order to compare them. The new generation groups were divided as follow <31 years, 32 - 47 years and 47+ years. In other words (<31 Generation Y), (32 - 47 Generation X) and (47+ Baby Boomers and Veterans) were grouped together according to guidelines by Lancaster and Stillman (2002), Reynolds (2005) and Zemke, Raines and Filipczak (2002).

Thus, the differences in total reward components for three generation groups were as follow:

The seven total reward components are ranked in accordance of importance based on mean value for the scale. This means a mean of 1 is not important at all and a mean of 5 is very important for respondent that would retain them.



Table 20: The generation group differences and the level of importance for the seven total reward categories

Rated as important	Generation Y (<31)	Generation X (32-47)	Baby Boomers and Veterans (47+)
1	Performance Management and recognition (M= 4.10)	Performance Management and recognition (M= 4.15)	Compensation (M=4.04)
2	Development and career opportunities (4.09)	Development and career opportunities (4.02)	Performance Management and recognition (M= 3.86)
3	Benefits and safety (M= 3.91)	Compensation (M=4.00)	Benefits and safety (M= 3.74)
4	Compensation (M=3.81)	Benefits and safety (M= 3.85)	Development and career opportunities (3.59)
5	Work-Life Balance (M= 3.68)	Communication work enabler (M= 3.51)	Communication work enabler (M= 3.33)
6	Communication work enabler (M= 3.13)	Work-Life Balance (M= 3.50)	Work-Life Balance (M= 2.96)
7	Life Convenience (M= 2.61)	Life Convenience (M= 2.39)	Life Convenience (M= 2.04)

A **mean** represents an arithmetic average of a group of scores, and this table shows that for Generation Y the top three total reward components are performance management, development, and benefits and safety according to level of importance. For Generation X, performance management, development opportunities and compensation is important to retain them while for Baby Boomers and Veterans the top three total reward components are compensation, performance management and benefits and safety.

It can be deducted from table 20 that the last two out of the five total reward components differ among the three generation groups as they rated them differently according to their level of importance.



Overall the different generation groups prefer more or less the same total reward components therefore proposition 4 is rejected.

4.3.1.2 Job Level Groups

The differences in total reward components for managers and employees are illustrated in table 21. For the purpose of these differences, the job level groups were rescaled into the following three groups:

Table 21: New divided job level groups

Group 1		Group 2	Group 3
General/	Executive	Junior managers	Staff
managers		outilor managers	Otan
		Senior managers	Specialist/ Technical
			Other

For the next table 22 illustrates the job level groups arranged according to the level of importance of the five total rewards components. This means a mean of 1 is not important at all and a mean of 5 is very important for them in order to retain.

Table 22: Three job level groups and the level of importance of the seven Total Rewards components

Rated as important	Group 1	Group 2	Group 3		
1	Compensation	Compensation	Performance		
	(M=4.01)	(M=4.06)	Management and recognition (M= 4.06)		
2	Performance	Performance	Development and		
	Management and recognition (3.97)	Management and recognition (M= 4.00)	career opportunities (4.00)		
3	Development and career opportunities (3.69)	Benefits and safety (M= 3.92)	Benefits and safety (M= 3.95)		



4	Benefits and safety (M=	Development and	Compensation
	3.54)	career opportunities (M=3.83)	(M=3.88)
5	Communication work enabler (M= 3.06)	Communication work enabler (M= 3.51)	Work-Life Balance (M= 3.66)
6	Work-Life Balance (M= 2.98)	Work-Life Balance (M= 3.23)	Communication work enabler (M= 3.53)
7	Life Convenience (M= 1.88)	Life Convenience (M= 2.11)	Life Convenience (M= 2.86)

This table shows that for all three job level groups the highest rated total reward component is compensation for group 1 (M=4.01) and group 2 (M=4.06) but for group 3 it was performance management and recognition the most important factor (M=4.06).

The group labelled other may include industries such as energy, music, environmental services, aircraft, airline or defence.

From this it can be concluded that the total reward components namely compensation, performance management and recognition, development and career opportunities as well as benefits and safety were rated as the four most important factors between managers and employees that would retain them. Thus, proposition 1 was accepted as there was a big difference between level of importance for total reward components between managers and employees.

4.3.2 **POS and PSS**

The six items of the POS Scale as well as the six items for the PSS Scale were subjected to Maximum likelihood using SPSS version 21. Prior to performing Maximum likelihood, the suitability of data for factor analysis was assessed. Inspection of the correlation matrix revealed the presence of many coefficients of 0.3 and above. The Kaiser-Meyer-Olkin values was 0.89 and 0.92, for POS and PSS



respectively, exceeding the recommended value of 0.6, and the Barlett's Test of Sphericity reached statistical significance supporting the factorability of the correlation matrix.

4.4 LEVEL OF IMPORTANCE VERSUS CURRENT UTILISATION

For the gap analysis the mean distribution was compared for all five components of the Total rewards components, which included compensation, work-life balance, performance management and recognition and development and career opportunities. The following figure depicts the level of importance versus current utilisation for compensation arranged from level importance for respondents.

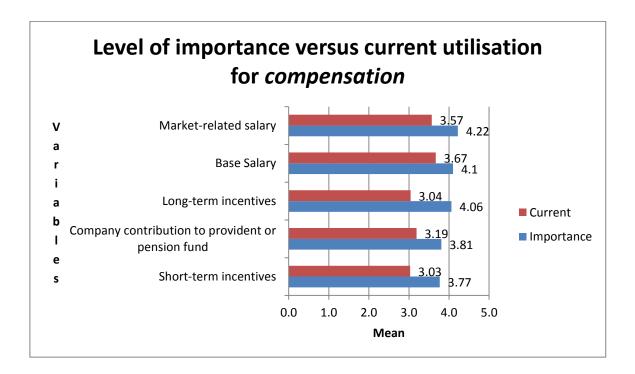


Figure 9: Level of importance versus current utilisation for compensation

The figure above indicated that there is a large (> .50) discrepancy between current utilisation variables as well as level of importance variables for compensation (Cohen,1988). This implicates that there is a difference of more than 0.60 is evident between current utilisation and level of importance for all compensation variables. It can be derived that it is evident that the compensation component of the total reward questionnaire is mainly dependent on market-related salary. This could



indicate that market-related salary is the main component that defines compensation overall according to the respondents' level of importance.

The following figure depicts the level of importance versus current utilisation for benefits arranged according to level importance for respondents.

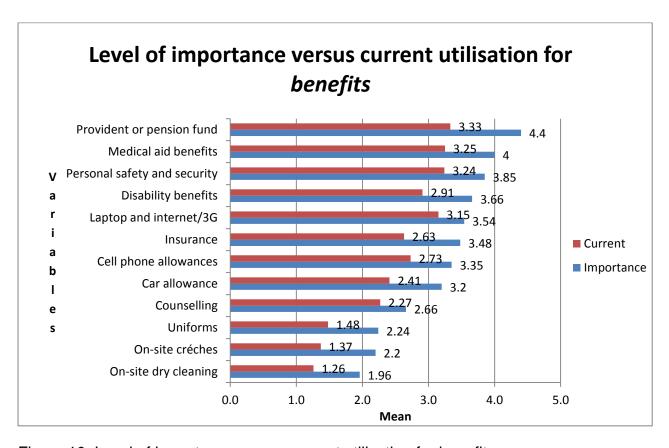


Figure 10: Level of importance versus current utilisation for benefits

The above figure indicates that there is not a large (>.50) discrepancy between current utilisation variables as well as level of importance variables for benefits as a sub component of total reward (Cohen, 1988). Meaning a difference of more than 0.60 is not evident between current utilisation and level of importance for all benefits variables. There is an alignment between the following variables counselling (2.77 and 2.66 respectively); laptop and internet/ 3G (3.15 and 3.54 respectively); on-site dry cleaning (1.26 and 1.96 respectively); and personal safety and security in the workplace (3.24 and 3.85 respectively).



In conclusion it is evident that the benefits component loads strongly on pension or provident fund for current utilisation as well as level of importance for the respondents.

The following figure depicts the level of importance versus current utilisation for work-life balance arranged according to level importance for respondents

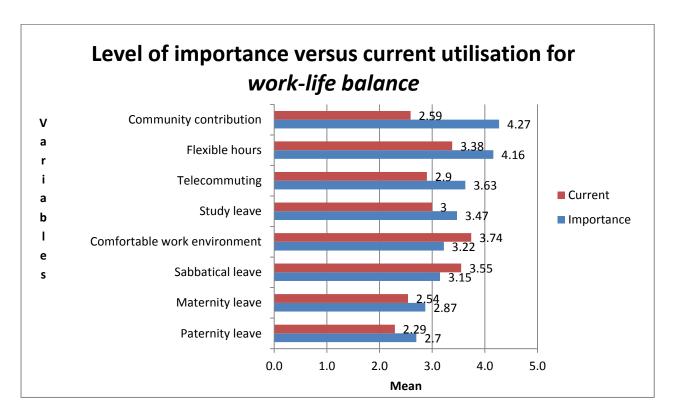


Figure 11: Level of importance versus current utilisation for work-life balance

The above figure indicates that there was overall medium (>.30) discrepancy between the current utilisation variables and level of importance variables for work-life balance component (Cohen, 1988). Meaning a difference of more than 0.60 is not evident between current utilisation and level of importance for all work-life balance variables.

It is evident that the highest level of importance for work-life balance component is community contribution for the respondents while comfortable work environment is currently focused on in the workplaces of the respondents.



The following figure depicts the level of importance versus current utilisation for performance management and recognition arranged according to level importance for respondents.

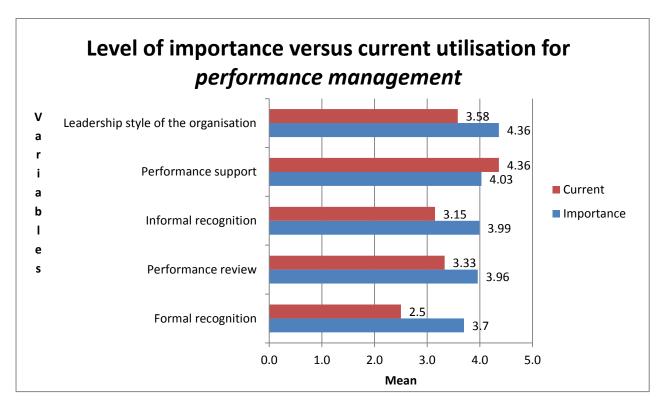


Figure 12: Level of importance versus current utilisation for performance management

From the above figure indicates that there was overall medium size (>. 30) discrepancy between the current utilisation variables and level of importance variables for performance management and recognition component (Cohen, 1988). This means a difference of more than 0.30 is not evident between current utilisation and level of importance for all performance management variables.

It is evident that the performance management and recognition component loads strongly on leadership style of the organisation for level of importance as well as level, while the respondents' organisations currently focus on performance support.

The following figure depicts the level of importance versus current utilisation for development and career opportunities arranged according to level importance for respondents.



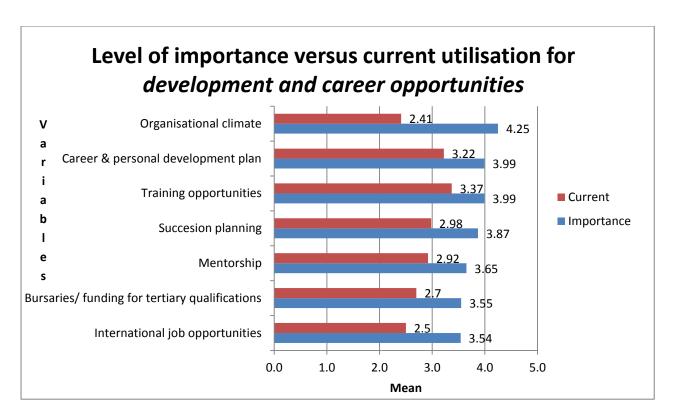


Figure 13: Level of importance versus current utilisation for development and career opportunities

The figure indicated that there is a large (>.50) discrepancy between current utilisation variables as well as level of importance variables for development and career opportunities (Cohen, 1988). Meaning a difference of more than 0.60 is evident between current utilisation and level of importance for all development and career opportunities variables.

It can be derived that it is evident that the organisational climate was rated the most important for development and career opportunities for the respondents, while training opportunities was the factor that is currently implemented and focused on in the respondents' respective organisations.

Therefore, this supports proposition 2 and 3 which illustrates the total rewards factors which are currently used the most to reward employees. Also this shows the most important total reward factors for the sample group.



4.5 ANOVA (ONE-WAY ANALYSIS OF VARIANCE) WITH POST-HOC TESTS

The main focus of this study was not to determine differences between groups for the particular variables, but the differences between groups in terms of their perception of total reward components, organisational support and supervisor support was examined for exploratory purposes.

Field (2009) describes the purpose of analysis of variance (ANOVA) is to test for significant differences between group means. ANOVA compares the variance (variability of scores) between different groups with the variability within each of the groups (Pallant, 2011). A large F ratio indicates that there is more variability between the groups than there is within each group. These post-hoc tests distinguish which of the groups represent the significance difference (Pallant, 2011).

The sample group of this study provided nine biographical variables with sufficient representation to support inter-group comparisons. These biographical variables were: Age, Gender, Race, Qualifications, Industry, Job level, Years with company and Years Remain at organisation. The differences between groups in terms of the nine variables and the total reward components, POS and PSS were explored.

This research highlighted significant differences between five groups of the variables namely age, gender, race, industry and job level. This will be explained next.

4.5.1 Age

Subsequently the ANOVA analysis between age and total reward components is explained below.

Table 23: ANOVA Table for age and total reward components

Total	reward	DF	Mean	F Value	Sig (Pr> F)
components			Square		
Compensation		2	0.693	0.942	0.391



2	1.909	1.375	0.255
2	5.460	2.850	0.60
2	0.532	0.453	0.636
2	10.611	9.684	0.000
2	2.303	3.409	0.059
2	6.009	7.024	0.001
	2 2 2 2	2 5.460 2 0.532 2 10.611 2 2.303	2 5.460 2.850 2 0.532 0.453 2 10.611 9.684 2 2.303 3.409

From table 23 it is apparent that statistically significant differences exist between work-life balance and age as well as development and career opportunities and age based on total reward.

The statistical significant differences between work-life balance and development and career opportunities were further analysed using post- hoc tests. Table 24 depicts the results of the Dunnett post-hoc test for Work life Balance and age.

Table 24: Dunnett comparison between age and work-life balance

					95% Confidence	Interval
(I)A3 (J	I) V3	Mean	Std. Error	Sig	Lower Bound	Upper Bound
(1)/43 (3	1) A3	Difference (I-J)	Std. Error Sig.		Lower Bound Opper Bound	
<31	48>	.72102*	.20377	.001	.2654	1.1766
32-47	48>	.53831*	.14776	.001	.2073	.8693

The mean difference is significant at the 0.05 level

From the Dunnett test it is clear that there are significant differences in mean scores between different age groups, specifically between, <31 age group and 48> age group as well as 32-47 age group and 48> age group.

Next table 25 depicts the results of the Dunnett test for development and career opportunities and age.



Table 25: Dunnett comparison between age and development, career opportunities

				95% Confidence	Interval		
(I)A3 (J	Ι) Δ3	Mean	Std. Error	Sig.	Lower Bound	Upper Bound	
(1)/13 (3	i) A3	Difference (I-J)	Std. Elloi	olg.	Lower Board	Opper Bound	
<31	48>	.50054*	.79170	.011	.0890	.9031	
32-47	48>	.43023*	.13057	.002	.1377	.7227	

The mean difference is significant at the 0.05 level

From the Dunnett test it is clear that there are significant differences in mean scores between different age groups, specifically between, 31 age group and 48> age group, as well as between the 32-47 age group and 48> age group.

4.5.2 Race

The ANOVA analysis between race and total reward components will be explained.

Table 26: ANOVA table for <u>race</u> and <u>total reward</u> components

Total	reward	DF	Mean	F Value	Sig (Pr> F)
components			Square		
Compensation		4	.845	1.153	.333
Communication	work	4	2.829	2.068	.086
enabler					
Life Convenien	ce	4	7.749	4.199	.003
Benefits and safe	ety	4	1.132	.967	.426
Work-Life Balar	nce	4	7.897	7.446	.000
Performance	Performance		1.067	1.563	.185
Management					
Development and career		4	2.314	2.645	.062
opportunities					

From table 26 it is apparent that statistically significant differences exist between life convenience and race as well as work-life balance and race based Total Reward components.



The statistical significant differences between Life Convenience and work-life balance were further analysed using post-hoc tests. Table 27 depicts the results of the Dunnett post-hoc test for life convenience and race.

Table 27: Dunnett comparison between <u>race</u> and <u>life convenience</u>

					95% Confidence	Interval
(I)A4 (J) Δ4	Mean	Std. Error	Sig.	Lower Bound	Upper Bound
(1)/(4 (5)	<i>)</i>	Difference (I-J)	Old. Elloi	olg.	Lower Boaria	Opper Bound
Black	White	.95283*	.24132	.001	.2893	1.6163
Indian		95283*	.24132	.001	-1.6163	2893
Black		00200	.27102	.001	1.0100	.2000

The mean difference is significant at the 0.05 level

From the Dunnett test it is clear that there are significant differences in mean scores between different race groups, specifically between black and white as well as Indian and Black. Table 28 depicts the results of the Dunnett post-hoc test for work-life balance and race.

Table 28: Dunnett comparison between <u>race</u> and <u>work-life balance</u>

				95% Confidence	Interval
(I)A4 (J) A4	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound
Black White	.90311*	.18284	.000	.4004	1.4058
Indian White	.74813*	.25525	.030	.0464	1.4499

The mean difference is significant at the 0.05 level

From the Dunnett test it is clear that there are significant differences in mean scores between different race groups, specifically between Black and white as well as Indian and White.

Another ANOVA table is depicted for Race and POS.



Table 29: ANOVA table for <u>race</u> and <u>POS</u>

	DF	Mean Square	F Value	Sig (Pr> F)
POS	4	3.420	4.633	.001

The statistical significant differences between Perceived Organisational supports were further analysed using post-hoc tests. Table 30 depicts the results of the Dunnett post-hoc test for POS and race.

Table 30: Dunnett comparison between <u>race</u> and <u>POS</u>

					95% Confidence	Interval
		Mean				
(I)A4 (J) A4		Difference	Std. Error	Sig.	Lower Bound	Upper Bound
		(I-J)				
Black	White	56391*	.15288	.003	9843	1435
Indian	Black	95283*	.24132	.001	-1.6163	2893
Black	Asian	-1.55427*	.62288	.026	-2.944	1641
(Other)		1.00721	.02200	.020	2.077	.1041

The mean difference is significant at the 0.05 level

From the Dunnett test it is clear that there are significant differences in mean scores between different race groups, specifically between Black and White as well as Indian and Black.

The ANOVA table for race and PSS is illustrated next.

Table 31: ANOVA Table for <u>race</u> and <u>PSS</u>

	DF	Mean Square	F Value	Sig (Pr> F)
PSS	4	3.378	4.554	.001

The statistical significant differences between Perceived Support supports were further analysed using post-hoc tests. Table 34 depicts the results of the Dunnett post-hoc test for PSS and race.



Table 32: Dunnett comparison between <u>race</u> and <u>PSS</u>

				95% Confidence	e Interval
(I)A4 (J) A4	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound
Black Coloured	-1.08268*	.33505	.012	-2.0041	1613
Black White	52523*	.15498	.007	9514	0990

The mean difference is significant at the 0.05 level

From the Dunnett test it is clear that there are significant differences in mean scores between different race groups, specifically between black and white Indian and Black as well as Black and Asian (Other) group.

4.5.3 Industry

The ANOVA analysis between industry type and total reward components will be explained next.

Table 33: ANOVA table for <u>industry</u> and <u>Total Rewards</u> component

Retention Preference	DF	Mean	F Value	Sig (Pr> F)
component		Square		
Compensation	6	1.675	2.357	.450
Communication work	6	3.689	2.768	.013
enabler				
Life Convenience	6	3.285	1.719	.117
Benefits and safety		2.413	2.123	.052
Work-Life Balance	6	4.477	4.107	.001
Performance Management	6	.721	1.047	.396
Development and career	6	1.820	2.079	.057
opportunities				



From Table 33 it can be seen that statistically significant differences exist between industry and communication enabler as well as between industry and work-life balance.

The statistical significant differences between communication work enabler and work-life balance components were further analysed through post-hoc tests. Table 34 depicts the results of the Dunnett post-hoc test for communication work enabler as a Total Rewards component.

Table 34: Dunnett comparison for industry and communication work enabler

		95% Confidence	e Interval			
(I)A6	(J) A6	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound
Producer	Services	-1.15909*	.37016	.032	-2.2602	0580
Logistics ar	nd Transport					

The mean difference is significant at the 0.05 level

From the Dunnett test it is clear that there are only significant differences for mean scores between producer services and logistics and transport industry. Table 35 depicts the results of the Dunnett post-hoc test for Work- Life balances as a total reward component.

Table 35: Dunnett comparison between industry and work-life balance

					95% Confide	nce Interval
(I)A6	(J) A6	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound
Extractive Services	Producer	58973*	.19579	.045	-1.1721	0073
Extractive Services	Social	94806*	.21012	.000	-1.5731	3230
Producer Transformative	Services	.58973*	.19579	.045	.0073	1.1721
Social Services Services	Producer	.94806	.21012	.000	.3230	1.5731

The mean difference is significant at the 0.05 level



From the Dunnett test it is evident that there are only significant differences for mean scores between extractive and producer services, extractive and social services, producer services and transformative industry and social services and producer services.

ANOVA table for Industry and POS will be showed next.

Table 36: ANOVA table for industry and POS

	DF	Mean Square	F Value	Sig (Pr> F)
POS	6	3.407	4.766	.000

For industry and PSS the ANOVA table will be portrayed next.

Table 37: ANOVA table for industry and PSS

	DF	Mean Square	F Value	Sig (Pr> F)
PSS	6	3.144	4.340	.000

From table 36 and 37 it is distinct that statistically significant differences exist between industry and POS as well as industry and PSS.

The statistical significant differences for industry were further analysed using post-hoc test. Table 38 illustrates the results of the Dunnett post-hoc test for POS.

Table 38: Dunnett comparison between industry and POS

							95% Confide	nce Interval
(I)A6		(J)	A6	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound
Producer Services	Services	and	Social	.77288*	.14505	.000	.3413	1.2044

The mean difference is significant at the 0.05 level



From the Dunnett test is clear that there is significant difference in mean scores between producer services and social services. Table 39 illustrates the results of the Dunnett post-hoc test for PSS.

Table 39: Dunnett comparison between industry and PSS

					95% Confide	nce Interval
(I)A6	(J) A6	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound
Transformative	Other	63333*	.20347	.011	-1.1693	1028
Social services	Other	76528*	.19258	.001	-1.2674	2631

The mean difference is significant at the 0.05 level

From the Dunnett test it is clear that there is significant difference in mean scores between transformative and other services as well as social and other services in term of how they perceive PSS.

4.5.4 Job Level

Job level and Total Rewards components will be shown in the table next.

Table 40: ANOVA table for job level and Total Rewards components

Retention Preference	DF	Mean	F Value	Sig (Pr> F)
component		Square		
Compensation	5	1.060	1.456	.205
Communication work	5	4.728	3.580	.004
enabler				
Life Convenience	5	8.883	4.949	.000
Benefits and safety				
Work-Life Balance	5	4.464	4.039	.002
Performance management	5	.167	.238	.945



Development	and	career	5	1.335	1.501	.190
opportunities						

From table 40 it is distinct that statistically significant differences exist between job level and communication work enabler, job level and life convenience and job level and work-life balance.

The statistical significant differences for job level were further analysed using posthoc tests. Table 41 depicts the results for the Dunnett post-hoc test for communication work enabler as a total reward component.

Table 41: Dunnett comparison between job level and communication work enabler

				95% Confidence Interval		
(I)A7 (J) A7	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound	
Staff General/ Executive Management	.91296*	.26108	.007	.1627	1.6632	
Senior Management General/ Executive Management	55728*	.19334	.049	.0017	1.1129	
Senior Management Staff	91296*	.26108	.007	-1.6632	1627	
Staff Other	.97436*	.36512	.029	.0792	1.8695	

The mean difference is significant at the 0.05 level

From the Dunnett test it is obvious that there are significant differences in mean score between different job levels and communication work enabler especially between staff and executive management, senior management and executive management, senior management and staff as well as staff and other job levels.

Table 42 depicts the results for the Dunnett post-hoc test for life convenience as a total reward component.



Table 42: Dunnett comparison between job level and life convenience

					95%	Confidence
					Interval	
(I)A7	(J) A7	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound
Staff	Junior Management	1.13057*	.38351	.041	.0284	2.2327
Staff	Senior Management	1.10373*	.31022	.006	.2122	1.9953
Senior Technic	Management Specialist/	83667	2.8942	.048	-1.6684	0049

The mean difference is significant at the 0.05 level

From the Dunnett test it is obvious that there were significant differences in mean score between different job levels and life convenience especially staff and junior management, staff and senior management and senior management and specialist / technical.

Table 43 depicts the results for the Dunnett post-hoc test for work-Life balance as a Total Reward component.

Table 43: Dunnett comparison between job level and work-life balance

					95%	Confidence
					Interval	
		Mean			Lower	Upper
(I)A7	(J) A7	Difference	Std. Error	Sig.	Bound	Bound
		(I-J)			Bouria	Bouria
Staff	Senior Management	.77922*	.24342	.019	.0797	1.4787
Staff	General/ Executive	.94180*	.23885	.001	.2554	1.6282
Management		.94100	.23665	.001	.2004	1.0202
Junior	Management	77922	.24342	.019	-1.4787	07972
Staff		11922	.24342	.019	-1.4707	07972

The mean difference is significant at the 0.05 level

From the Dunnett test it is clear that there were significant differences in mean score between different job levels and work-life balance, especially for staff and senior management, staff and general/ executive management and junior management and staff.



Subsequently the ANOVA table for job level and POS is clarified next.

Table 44: ANOVA table for job level and POS

	DF	Mean Square	F Value	Sig (Pr> F)
POS	5	4.263	6.024	.000

From table 44 it is evident that statistically significant differences between job level and POS.

The statistical significant difference between job level and POS was further analysed through post-hoc test. Table 45 depicts the results for eh Dunnett post-hoc test for job level as a biographical variable.

Table 45: Dunnett comparison between job level and POS

				95% Confide	ence Interval
(I)A7 (J) A7	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound
Staff General/ Executive management	87544	1.19146	.000	-1.4257	3257
Specialist/ Technical General/ Executive management	60156*	.18396	.016	-1.1303	0728
Junior Management General/ Executive Management	62655*	.20052	.024	-1.2029	0502
Senior Management General / Executive management	52800*	.14316	.004	9395	1165
Senior Management Staff	.87544*	.19146	.000	.3251	1.4252
Senior Management Specialist/ Technical	.60156*	.18396	.016	.0728	1.1303

The mean difference is significant at the 0.05 level

From the Dunnett test it is obvious that there are significant differences in mean score between different job levels and POS, especially for staff and executive management, specialist/ technical and executive management, junior management



and executive management, senior management and executive management, senior management and staff, senior management and specialist/ technical.

For ANOVA analysis it can be seen there is a mean group difference for age, gender, race, industry and job level, thus proposition 5 was accepted.

4.6 T-TEST

According to Pallant (2011) independent t-test is used in situations where two mean scores are compared, on some continuous variable for two difference groups of participants. In this study, only the significant mean scores for gender group in terms of total reward, Perceived Organisational Support and Perceived Supervisor Support will be discussed. The significant differences in work-life balance, performance management and development and career opportunities will be explained next.

4.6.1 Work-life Balance

In order to analyse the mean difference in gender groups the independent sample test for work-life balance is shown and explained below.

Table 46: Independent sample test for work-life balance

	Leven	e's test			T-test	for Equality	of Means		
	for Equality of Variances				95% C difference	onfidence e			
	F	Sig	Т	df	Sig (2-	Mean	SE	Lower	Upper
					tailed)	differenc	Differen	Bound	Bound
						е	ce		
Equal variance	1.594	.208	-2.629	235	.009	36665	.1394	64138	0919
assumed									
Equal variances			-2.610	222.303	.010	36665	.1404	64343	08986
not assumed									

An independent sample t-test was conducted to compare the total reward for males and females. Table 46 shows there was a significant difference in scores for males (M=3.09, SD=1.130) and female (M=3.45, SD=1.01) t (235)=-2.62, p= .009, two-



tailed. The magnitude of the dissimilarities in the means (mean difference= -3.66, 95 CI:.-.64 to -.09) was medium (eta squared= .208).

4.6.2 Performance Management

In order to analyse the t-test for performance management, an independent sample test was conducted.

Table 47: Independent sample test performance management

	Levene's	test	t-test for	Equality of	Means				
	for Equa	ality of						95% (Confidence
	Variance	s							
	F	Sig	Т	df	Sig (2-	Mean	SE	Lower	Upper
					tailed)	differenc	Differenc	Bound	Bound
						е	е		
Equal variance	1.799	.181	-2.505	235	.013	26782	.10690	47844	05721
assumed									
Equal			-2.467	214.454	.014	26782	.10817	.48103	05462
variances not									
assumed									

An independent sample t-test was conducted to compare the total reward for males and females. Table 47 shows there was a significant difference in scores for males (M=3.87, SD=.899) and female (M=4, 13, SD=.74) t (235)=-2.50, p= .013, two-tailed. The magnitude of the differences in the means (mean difference= -2.67, 95 CI: -.47 to -.57) was very small (eta squared= .181).

4.6.3 Development and Career Opportunities

In order to analyse the t-test for development and career opportunities, an independent sample test was conducted.



Table 48 Independent sample test table for development and career opportunities

	Levene's	s test			T-test	for Equalit	y of Means		
	for Equa	ality of							onfidence
	Variance	es						difference	•
	F	Sig	t	df	Sig (2-	Mean	SE	Lower	Upper
					tailed)	differenc	Differenc	Bound	Bound
						е	е		
Equal variance	.255	.614	-2.722	235	.007	33159	.12180	51754	09163
assumed									
Equal			-2.710	226.04	.007	33159	.12236	57269	09048
variances not				0					
assumed									

An independent sample t-test was conducted to compare the total reward for males and females. Table 48 shows there was a significant difference in scores for males (M= 3.66, SD= .97) and female (M= 3.99 SD= .90) t (235) = -2.72, p= .007, two-tailed. The magnitude of the differences in the means (mean difference= -.33, 95% CI:-.51 to -.09) were medium (eta squared= .614).

For the t-test it can be derived that for gender there was differences in responses for work-life balance, performance management and recognition and career and development opportunities. Thus proposition 5 was accepted.

4.7 MULTIPLE REGRESSION

Multiple regression refers to methods than can be applied to explore the relationship between one continuous dependent variable and a number of independent variables or predictors (Pallant, 2011). Moreover, multiple regression is centred on correlation, but allows a more refined exploration of the interrelationship between pre-determined variables (Pallant, 2011).

The results in the previous correlation section uncovered that there is no statistically significant relationships between Total Rewards components, POS and PSS.



Hierarchical multiple regression was calculated in order to determine whether age, gender race qualification, industries, job levels, years with organisation and years intent to remain at the organisation contributed to the variance in total rewards, POS and PSS. **Only the statistically significant results are discussed in this study.** More specifically, only race group and job level group showed statistically significant results and will be discussed next.

In order to conduct the hierarchical regression, race and job level groups were recoded in to the following groups:

Table 49: Race and job level recoded groups

Race	Frequencies	Group recoded	Job level	Frequencies	Group recoded
Black	47	1	Staff	33	2
Coloured	12	2	Specialist/technical	38	2
Indian	20	2	Junior management	28	1
White	221	0	Senior management	82	1
Other	3	3	General/ Executive management	102	0
			Other	20	2

Hierarchical multiple regression was performed to determine whether race group mediates/ moderates the relationship total reward components and POS and also between total reward and PSS. The results of the hierarchical regression analysis are reported in table 50.

Table 50: Regression analysis- Total Rewards components, race and POS

Model		Unstan	dardized	Standardize	t	p	R	R^2	ΔR^2
		Coeffici	ients	d					
				Coefficient					
				s					
		В	SE	Beta					
1	(Constant)	3.851	.287		13.439	.000			
	Total Rewards	-0.84	0.8	-0.70	-1.045	.297			



	Race	166	0.88	125	-1.874	.062			
	Summary						.155	0.24	0.24
2	(Constant)	3.466	.312		11.100	0.00			
۷	Total Rewards	269	.102	244	-2.639	.009			
	Race	.083	.123	.062	.673	.502			
	Total Rewards x	.332	.116	.285	2.870	.004			
	Race								
	Summary						.241	.058	.034

From the above table it is evident that Total Rewards and race were entered in step 1, explaining 24% of the variance in POS. After entry of the interaction between Total Rewards and race at step 2 the total variance explained by the entire model was 58%, F (3, 288)= 4,686, p < 0.001. Total Rewards components and age explained an additional 5, 8 % of the variance in POS, R squared change= 0,034, F change (1, 227) = 0. 824, p< 0.001. In both scales Total Rewards components and age was statistically significant with a beta value of 0.285. p< .001

The results of the hierarchical regression analysis with Total Reward components and Race as independent variables and the interaction between these variables (to test for mediating effects) and PSS are reported in table 51.

Table 51: Regression analysis- Total Rewards components, race and PSS

Model		Unstand	ardized	Standardize	t	р	R	R ²	ΔR^2
		Coefficie	ents	d					
				Coefficient					
				S					
		В	SE	Beta					
1	(Constant)	3.922	.291		13.460	.000			
	Total Rewards	083	.081	069	-1.019	.309			
	Race	066	.090	50	732	.465			
	Summary						.093	.009	.009
2	(Constant)	3.490	.316		11.037	.000			
	Total Rewards	291	.103	243	-2.824	.005			
	Race	.213	.124	.161	1.717	.087			
	Total Rewards x	.374	.117	.320	3.188	.002			



Race				_
Summary	.227	.052	.043	

From table 51 it is evident that Total Rewards components and race were entered in step 1, explaining 0,9 % of the variance in PSS. After entry of the interaction between Total rewards components and race at step 2 the total variance explained by the entire model was 5,2 %, F(3, 225)= 4,069, p<0.001. Total reward components and race explained an additional 0,4 % of the variance in PSS, R squared change= .43, F change (1, 224)= 10.163, p< 0.001. In the second step, only two control measures were statistically significant, with the Total Rewards x Race recording a higher beta value (beta= .320, p< .0001) than Total Rewards scale (beta= -.243, p<.001).

The results of the hierarchical regression analysis with Total Reward components and Job level as independent variables and the interaction between these variables (to test for mediating effects) and PSS are reported in table 52.

Table 52: Regression analysis- Total Rewards components, job level and POS

Model		Unstand	ardized	Standardize	t	р	R	R ²	ΔR^2
		Coefficie	ents	d					
				Coefficient					
				s					
		В	SE	Beta					
1	(Constant)	3.958	.275		14.379	.000			
	Total Rewards	046	.077	038	596	.552			
	Job level	314	.071	284	-4.407	.000			
	Summary						.294	.086	.086
_	(2								
2	(Constant)	3.964	.274		14.427	.000			
	Total Rewards	.015	.082	.012	.178	.859			
	Job level	247	.078	223	-3.156	.002			
	Total Rewards x	095	.047	153	-2.016	.045			
	Job level								
	Summary						.320	.102	.016



From the above table it is evident that Total Rewards components and job level were entered in step 1, explaining 8,6 % of the variance in POS. After entry of the interaction between Total Rewards and job level at step 2 the total variance explained by the entire model was 32,0%, F(3, 229)= 8, 689, p< 0.001. Total reward components and job level explained an additional 10,2 % of the variance in POS, R squared change= .102, F change (2, 229)= 4,064, p< 0.001. In the final step, only one control measure was statistically significant namely Job level with a beta value of -.223, p< .0001.

For multiple regression it can be derived that race and job level groups played a mediating role between total reward and POS as well as total reward and PSS. Thus proposition 5 was accepted.

4.8 PEARSON- PRODUCT MOMENT CORRELATION

In order to answer the research objective of this research study, the relationship between total reward, POS and PSS should be investigated. More specifically, Pearson product-moment correlation was used for this analysis.

Correlation analysis is usually utilised to describe the strength and direction of the linear relationship between two variables (Pallant, 2011). The Pearson product-moment coefficient (r) is designed for continuous variables, but can also be used to determine the correlation between one continuous variable and one dichotomous variable (Pallant, 2011). The Pearson correlation coefficients (r) are described in terms of values ranging from -1 to +1. The (+) or (-) specifies the direction of the relationship, whether positive or negative, which the size of the absolute value provides an indication of the strength of the relationship. Table 53 illustrates the results of this analysis.

Table 53: Correlation table between Total reward, POS and PSS

	Total reward	POS	PSS
Total reward	1.00000		
POS	0.298*++	1.00000	
PSS	0.250*++	0.662*++	1.00000

^{*}Statistically significant: p> 0,01

The findings from table 55 in this research, indicates that there is a strong practically significant positive correlation ($r_{(df=237, p>0.001)} = 0.298$, medium effect) between Total Reward components and POS, where high levels of Total Reward components is associated with an increase in POS.

Table 55 further indicates that there is a strong practical significant positive relationship ($r_{(df=233, p>0.001)} = 0.250$, medium effect) between Total Reward and PSS, where high levels of Total Reward components is associated with high levels of PSS. Table 55 portrays a large practically significant positive correlation ($r_{(df=230, p>0.001} = 0.662$, large effect) between POS and PSS in this study. This indicates that an increased perception of organisational support can be associated with an increased perception of Supervisor Support.

More specifically, the correlation between Total Reward's seven subscales and POS as well as these seven subscales and PSS is illustrated in table 54.

Table 54: Correlation table between Total reward subscales, POS and PSS

	Compensation	Communication	Life	Benefits	Work-	Performance	Development	POS	PSS
		work enabler	convenience	and safety	life	management	and career		
					balance	and	opportunities		
						recognition			
Compensation	1.000								
Communication	.529*	1.000							
work enabler									
Life	.263*	.295*	1.000						
convenience									
Benefits and	.575*	.514*	.391*	1.000					

⁺Practically significant correlation (medium effect): r > 0,30

⁺⁺Practically significant correlation (large effect): r > 0,50



safety									
Work-life	.266*	.327*	.481*	.367*	1.000				
balance									
Performance	.465*	.394*	.339*	.398*	.585*	1.000			
management									
and recognition									
Development	.430*	.383*	.400*	.436*	.581*	.690*	1.00		
and career									
opportunities									
POS	.227*	.199*	.035	.083	.271*	.351*	.271*	1.000	
PSS	.200*	.091	004	.150*	.161*	.307*	.238*	.662*	1.000

^{*}Statistically significant: p> 0,01

From the above table one can derive that each of the total reward sub scales correlates significantly positively with POS and PSS. However, for life convenience and POS there was no significant correlation as well as for life convenience and PSS. This is also true for benefits and safety and PSS that shows a non-significant positive relationship. Thus, proposition 6, 7 and 8 was accepted.

4.9 CONCLUSION

This chapter revealed the results of various statistical processes that were analysed, reported and explanation. More specifically the results of the reliability analysis, Pearson- moment correlation, multiple regression, t-test and ANOVA were presented.

The following chapter focuses on the discussion of the results.

⁺Practically significant correlation (medium effect): r > 0,30

⁺⁺Practically significant correlation (large effect): r > 0,50



5 CHAPTER 5: DISCUSSION OF THE RESULTS

5.1 INTRODUCTION

This chapter concentrates on discussing and interpreting the results of the statistical procedures and attempting to explain the impact of the three generations' perception in terms of retention, Perceived Organisational Support and Perceived Supervisor Support. This chapter will comprise the findings and conclusions drawn.

5.2 REVIEW OF THIS STUDY

The main reason of this study was to investigate the relationship of the following four generation perceptions, namely Total reward, POS and PSS.

The main purposes of this study were outlined in the research objectives which are once again stated below:

The following primary research objectives will help resolve the research problem:

• The primary objective was to determine whether generations in South African organisations preferred different retention strategies or factors.

The secondary objectives are the following:

- To determine the relationship between multi-generations' total reward and POS.
- To determine the relationship between multi-generations' total reward and PSS.
- To explore whether gender, race, qualification, industry, job level, years with company and remain at organisation differ significantly in terms of these variables.
- To investigate the differences in total reward between managers and employees.



• To investigate the relationship between current utilization and level of importance of each total reward component.

Therefore the following 8 propositions were formulated from literature:

- Proposition 1: There is a big difference in level of importance for total reward components between managers and employees.
- Proposition 2: To determine the reward factors which are currently being used the most to retain employees.
- Proposition 3: To determine the most important reward factors to retain employees.
- Proposition 4: Different generation groups do prefer different total reward factors.
- Proposition 5: Age, gender, race, qualification, industry, job level, years with company and years remaining at company plays a moderating role in the relationship between total reward and POS as well as total reward and PSS.
- Proposition 6: A direct positive relationship exists between the employee's total reward components and POS.
- Proposition 7: A direct positive relationship exists between the employee's total reward components and PSS.
- Proposition 8: A direct positive relationship exists between the POS and PSS.

In order to achieve this objective, the following three assessments were administered in different industries or organisations in South Africa;

- Total Reward Questionnaire
- The Survey for Perceived Organisational Support (SPOS)
- The Survey for Perceived Supervisor Support (SoPSS)

The results of these questionnaires were analysed and demonstrated in chapter 4. The above mentioned concepts were integrated into a conceptual model see figure for details, which illustrates the first few research objectives. This integrated conceptual model's purpose was to offer a graphic demonstration of the proposed



relationship between these concepts as stipulated by propositions 1-8. The nest section entails the discussion of the results and more specifically each proposition.

5.3 KEY EMPIRICAL FINDINGS/ EVALUATIONS OF PROPOSITIONS

The process of experimental findings was discussed in detail in Chapter 3, namely the analysis of the methodology. The discussion of the results will focus on the discussion of each proposition and finally a discussion of the comparative analysis between groups.

5.3.1 **Evaluations of Proposition**

Proposition 1: There is a big difference in preference for total reward factors between managers and employees

For this proposition, the mean differences and ANOVA analysis for the three main job level groups were analysed. The job level groups were general/ executive managers, managers and staff and other. The three most important factors rated for general and executive managers were compensation, performance management and development and career opportunities. For group 2 (junior and senior managers) rated compensation, performance management and benefits and safety as most important to retain them, while staff, specialist, technical and other rated performance management, development opportunities and benefits and safety as the top three factors to retain them.

These results indicated there were differences in retention preference factors according to level of importance between manager and employees. The results of this propositions confirms previous studies that employees still do regard compensation/ remuneration as the most important factor to retain them at their respective organisations (Bussin, 2011; Eskom Value Proposition, 2009; Muteswa & Ortlepp, 2011; Parker and Wright (2001).



Instead numerous researchers who argue that promotion, career development, a non-physical and intrinsic motivation factors are more important for employee than just compensation or remuneration (Deloitte, 2011; Luna- Arocas and Tang, 2004; Mahaney and Lederer, 2006; Perrin, 2011; Society for Human Resource Management, 2009). While Metha, Anderson and Dubinsky, 2000 highlights that younger employees tend to prefer more physical rewards such as medical aid, maternity/ paternity leave while older employees may value standard options or contributions to their retirement plans.

Therefore it can be deducted that managers prefer compensation and performance management as they are already established in their careers, while staff, specialist and other prefer development opportunities, benefits and safety as they see stability and professional growth as essential in their careers.

Proposition 2: To investigate and determine the reward factors which are currently being used the most to retain employees

The results of the gap analysis which compared the means for current utilisation as well as level of importance of each factor under total reward showed unique results. The study investigated seven main categories for total reward namely compensation, communication work enabler, life convenience, benefits and safety, work-life balance, performance management and recognition as well as career development and opportunities.

More specifically, the study highlighted the following sub points that are currently utilised to retain employees are base salary, provident/ pension fund, comfortable work environment, performance support and training opportunities. These results shows that it is in accordance with the literature Nienaber (2009), which shows performance & career management, work-life balance, variable pay is currently used to retain talent.

The results is also in agreement with other literature or total reward models (Aon Hewitt reward model, 2013; Armstrong and Brown Total Reward Model, 2006; Armstrong and Thompson, 2002; Corporate Council of Leadership, 2007; Towers



Perrin Model of Total Reward, 2011; Zingheim and Schuster Total Reward Model, 2007; WorldatWork Model, 2007) which each explained financial and non-financial aspects of total rewards. All of these models are unique which organisations use as starting point to design their own total rewards packages specific to their organisations.

Proposition 3: To investigate the most important total reward factors for employees that will retain them

The results of the gap analysis which compared the means for current utilisation as well as level of importance of each factor under total reward showed unique results. The same as current utilisation, the study also investigates the level of importance of the five main categories of total reward namely compensation, benefits, work-life balance, performance management and recognition and career and development opportunities. The mean statistics overall for all the respondents were also analysed.

The results showed the total rewards in order of importance are according to the study: compensation (1st), work-life balance (2nd), benefits (3rd), development and career opportunities (4th) and performance management and recognition (5th). More specifically, under compensation the sub- component market -related salary was rated the highest level of importance as for benefits was provident or pension fund, for work-life balance the component community contribution and performance management and recognition it was leadership style and lastly for development and career opportunities the sub-component organisational climate was rated the highest level of importance for participants.

This results matches previous research (Armstrong 2006; Anderson & Dubinsky, 2000; Bussin and Fletcher 2008; Döckel's; 2003; Haynes 2002; Hiles 2009; Muteswa & Ortlepp, 2011; Parker and Wright (2001); Society for Human Resource Management (2009) states that these employee rewards include financial and non-financial rewards in order to retain high calibre talent.

On the other hand these results is in contrast with some research (Chew & Chan 2008; Mahaney & Lederer 2006; Rynes, Gerhart and Minette 2004; Tang, Luna-



Arocas & Tang 2004) recognise that pay is known as a possible precursor of organisational commitment and intention to stay, as payment alone will not be adequate. For instance, low payment might motivate an employee to leave, but high payment might not necessarily retain them. Thus, intrinsic rewards are equal important to pay which includes achievement, performance, challenging work, variety, responsibility or professional growth.

.

Proposition 4: Different generation groups do prefer different total reward factors

For this proposition, the mean differences for the three main job generation groups were analysed. The new divided generation groups were <31 Generation Y, 32-47 Generation X and 47+ Baby Boomers and Veterans (Lancaster & Stillman 2002; Reynolds 2005; Zemke, Raines & Filipczak 2002).

The results revealed for Generation Y the top three total reward components were compensation, work-life balance and development and career opportunities according to level of importance. For Generation X, Baby Boomers and Veterans the top three total reward components are compensation, work-life balance and benefits. Only the last two of the five retention components differ amongst the generations where Generation Y preferred benefits and performance management and recognition as not so important, while Generation X preferred development and career opportunities and performance management and recognition as not so important. Lastly Baby Boomers and Veterans preferred the same as Generation X as total reward components.

This proposition showed that there are some differences among generation preferences especially total reward, which proves and corresponds to Bussin (2011), Deloitte (2011), Reynolds, (2005), and Zingheim and Schuster, (2008) previous studies.

As shown by Jorgens (2003), Noble and Schewe (2003) and in SA by Moore (2009) as well as Nienaber et al (2011) showed that different generation differences do not have different reward preferences., thus these previous studies differed from this



study results which revealed that there is small differences in generation retention preferences. Moreover, these results are in contrast with research done by Giancola (2008) and Cummings and Worley (2001) which states that there are no distinct generations and their preferences but rather individual life-cycles and career stages.

It can be deducted that Baby Boomers and Veterans would choose compensation, work-life balance and benefits as the top three components that will make them stay at their respective organisations, as they place high value hard work, obeying rules, dedication, military principles (Colon, 2005; Gesell, 2010; Hahn, 2011; Jacobson, 2007; Orciani, 2009; Zemke *et al*, 2001). The rating of the benefits subscale being rated as the third important was surprising as it would have been expected that preference for this reward increases as the employer gets older.

Generation X'ers is willing to develop their skills sets and take on challenges and is perceived as very adaptive in this changing business world. Therefore work-life balance, benefits, development and career opportunities as well as performance management and recognition is important to them in level of importance after compensation for Generation X. They are excellent at multi-tasking and working on projects simultaneously and place high value on work-life balance (Gursoy, Maier & Chi, 2008). Jacobson (2007) agrees with this statement and adds that Generation X view their jobs as temporary and as free agents.

While Generation Y placed emphasis on compensation, work- life balance, and development and career opportunities as the top three total reward for them. Generation Y favours teamwork and choose to follow orders as to the extent they have flexi-hours order to successfully complete the task in their own way (Gesell 2010; Gursoy *et al.*, 2008; Dawn 2004; Dwyer 2009; Iyer & Resienwitz, 2009). This Generation uses the information channels that exist to familiarise themselves with the environment and there is a constant need for knowledge that exist in this generation. Also it can be believed that Generation Y is seeking challenges and learning, development opportunities as they are open-mined and goal-orientated in order to grow in their respective careers.



Proposition 5: Age, gender, race, qualification industry, job level, years with company and years remaining at company play a mediating role in the relationship between total reward and POS as well as between total reward and PSS

In order to answer this proposition the study used hierarchical regression and ANOVA analysis and the t-test. From the regression analysis only age, gender, race industry and job level showed significant results, indicating that only five biographical variables plays a mediating role between total reward and POS as well as total reward and PSS.

This is in accordance with the literature study as shown by Campbell, Hoffman and Lance (2010), Charnyshenko (2008), Chiang & Birtch, (2006), Gorman (2000), Hedge, Borman, Lammlein, (2006), Johnson (2005), Nienaber, Bussin and Henn (2011); Snelgar, Renard and Venter (2013), Twenge, Cennamo and Gardener (2008) that reward preferences may differ according number of children, age, race job level, qualifications, years of service, marital status and gender.

In terms of age, this is explained at proposition 4. There was statistical significant difference were identified for gender, with different scores for men and women in the work-life balance, performance management and development and career opportunities reward categories. This could mean that women have a higher preference for broader total rewards package, as opposed to consisting of financial components only in accordance to literature (Chiang & Birtch, 2006), Nienaber et al., (2011) Snelgar, Renard and Venter (2013) found that women have stronger preferences for remuneration and benefits as well as a conducive work environment.

For race groups, there were statistical significant results mostly for Black, Indian and White groups. This supports previous research that culture and background plays a role in preferences (Macgrain & Henkerhoff, 2000, Nienaber, 2009). A history marked by ignoring could explain why Black and Indian groups have different feeling towards their total reward preferences. These feelings could potentially extend to employment practices.



In terms of Industry group, there was also statistical significant difference between all the industry groups especially for communication work enabler and work-life balance total reward components. This could be due to organisational differences and preferences.

For Job level statistical significant differences were explained in proposition 1.

Proposition 6: A direct positive relationship exists between the employee's total reward and POS

This study investigated the Pearson product-moment analysis for this proposition; it revealed a strong significantly positive relationship between Total reward and Perceived Organizational Support (POS). This proves findings by Dawley (2008), Du Plessis, (2010) Harris, Harris and Harvey, (2007) Jawahar and Hemmasi, 2006; Riggle, Edmondson and Hansen, 2009 that an employee's total reward are an originator or foundation for POS. This could be explained that employee's perception of retention factors is supportive of the perception of how the organisation appreciates their input and is concerned about their general happiness.

This statement of this proposition is an important finding, since most evidence in the relevant literature shows that the impact of employee's perception of retention factors and POS would correlate.

Proposition 7: A direct positive relationship exist between the employee's total reward and PSS

The results of the Pearson product-moment correlation analysis displayed a medium practically significant positive correlation between employees' Total Reward, POS and between total Reward and PSS.

One would expect a correlation between these two concepts due to the unique total reward and support from supervisors. Supervisors are leader implementers of total reward practices and consequently they are associated with the employees' perception of the organisation's total reward practices. The employee's perception



that organisation total reward practices improve talent retention will result in the perception that his/ her supervisor values their input and cares about their general welfare.

This does affirm discoveries by Allen *et al.* (2003) and Knight-Turvey and Neal's (2003) discoveries that supportive HR practices that demonstrates and organisation's willingness to invest in its talent will enhances talent retention. If organisations comprehend total reward practices and the dedication of resources to these practices will lead to the acquisition and retention of top talent, as suggested by Giancola (2007), Heneman and Judge (2003), Nienaber (2009), Sung and Todd (2004). It can therefore be concluded that high levels of POS can be linked to an increased decision to stay at the organisation concerned. This confirms the positive relationship between employee's perception that a supervisor is willing to care for them and support them and the employee's intention to leave the organisation, as established by Dawley, et al. (2008).

Proposition 8: A direct positive relationship exists between the POS and PSS.

To resolve this proposition, Pearson product-moment analysis was conducted and revealed a strong practically significant relationship between POS and PSS, where high levels of POS are related with high levels of PSS. Therefore the results confirms proposition 3 and numerous other studies that have already established a positive relationship between POS and PSS (Allen, et al., 2003; Dawley, et al., 2008; DeConinck, 2010, Du Plessis, 2010; Eisenberger et al., 2002, Rhoades & Esienberger, 2002; Sanock & Eisenberger, 2006; Zagenczyk, et al., 2010).

However, the direction of the relationship between PSS and POS is still debated, give that both directions have been confirmed in previous exploration. The extent, to which employees perceive that their supervisors concern about their well-being and support them, will therefore influence their perception that the organisation also cares and supports them. This implies that a supervisor as a representative of the organisation through total reward practices and accordingly becomes a personification of total reward practices. On the other hand, one can argue that employee's perception that the organisation values their contribution and cares for



their overall well-being direct them to believe that their supervisors are also positively inclined towards them.

5.4 INTEGRATED CONCEPTUAL MODEL

The integrated conceptual model was created in chapter 2 established by literature and supporting propositions between the three main constructs namely Total reward, POS and PSS. By extension the Pearson product-moment correlation analysis confirmed the conceptual model through establishment of the relationships between these three main constructs named above. The confirmation and strength of the various relationships is illustrated in figure 14.

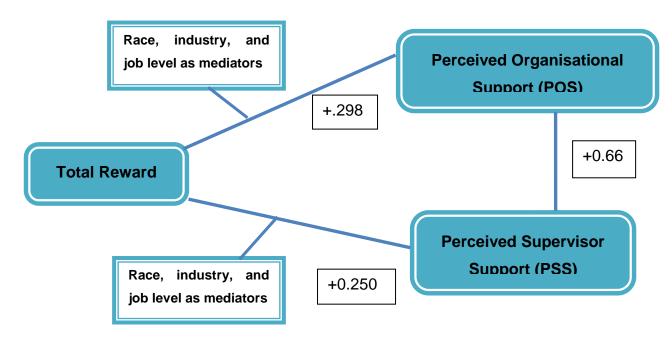


Figure 14: Integrated Conceptual Model

This final conceptual model permits the study to conclude that an increase in Total rewards practices can be associated with an increase in POS and PSS amongst Generation Y, Generation X, Baby Boomers and Veterans. The perception of high consideration for total reward preferences should lead to a decreased intention to quit the organisation amongst these generation groups.



Thus, the results of this study indicates that the means regarding employees' age, gender, race, industry type and job level have different perceptions of the implementation of retention preference strategy or practices in the different organisations. This is affirms previous research that many aspects that can affect employee's reward preferences (Giancola, 2007, Meyer & Kirsten, 2012; Snelgar; Nienaber, 2009; Sung & Renard & Venter 2013; Todd, 2004).

5.5 CONCLUSION

For this chapter the results of the statistical were explained and interpreted with the main focus of explaining the three main constructs namely total reward, Perceived Organisational Support and Perceived Supervisor support and their relation to each other within the context of the generation groups.

To summarise the results indicated that Total reward, SPOS and SoPSS are reliable instruments to use across different organisations. A higher perception of total reward practices is associated with POS and PSS and therefore lower intention to leave the organisation. The establishment of the perception of effective retention strategies or total reward packages should therefore enhance retention among the generation groups.

As expected the perceptions regarding the implementation and the importance of total reward strategies differ between age groups, gender groups, race groups, industry types groups and job level groups. Possible explanations are different remuneration packages offered to employees.

The last chapter will concentrate on the closure of this study by presenting the significance and value of the study, as well as future exploration prospects.



CHAPTER 6: CONCLUSIONS, LIMITATIONS AND

RECOMMENDATIONS

6.1 INTRODUCTION

This chapter offers a summary of the objective of this study, the key findings and the discussion on the significance of the study. Recommendations, further research

possibilities and limitations are acknowledged followed by a final conclusion.

6.2 SIGNIFICANCE OF THE RESEARCH

This research study has theoretical, methodological and practical significance as it provides an enhanced comprehension of different generation's groups' total reward in theory and in practice by utilising it in different South African organisations. Each of these three contributions of this research will be discussed in detail in the following

part:

6.6.1 Theoretical Significance

This research study contributes to a very important, contemporary issue of talent management in South Africa, namely whether perceptions regarding retention/reward package have the ability to change generations' perception regarding the

support from the organisation and their supervisors.

Dubin in Coetzee (2006) and Du Plessis (2010) suggest that theories are basic conceptual presentation of complex, real world situations that offer to enhance our insight into a specific phenomenon. This study address a complex, real world situation namely should generational differences be taken in account when structuring reward packages?

- 118 -



An inclusive literature study was conducted on the concept to retention preference and associated perceptions. These insights gained from this investigation, will contribute significantly towards the debate of different generation groups prefer different remuneration components in the remuneration package. It will further more contribute to the understanding of this construct in relation to the generation's perception of organisational and supervisor support. This is significant because of the fact that empirical studies that focus on Total reward are contemporary, but studies that investigate the perceptions of generation in relation to other constructs are rare.

6.2.2 Methodological Significance

The well-thought through research design of this study contributes to the debated research studies regarding perceptions related to reward packages of different generations. More specifically, this study used inferential statistical procedures which included reliability analysis, multiple regression, analysis of variance and Pearson product-moment correlations.

Therefore this study contributes comprehensively to the existing information of perceptions regarding total reward amongst generation Y, generation X, veterans and baby boomers employees, providing a quantitative method for assessing this perception in relation to other constructs. This research supports the value of quantitative methods in assessing perceptions regarding retention or reward management practices, organisational or supervisor support amongst four different generation groups.

The results of this study will contribute significantly to prove reliability of a new instrument, The Total reward survey (WorldatWork; 2007 model as basis). This research design is valuable as it is unique in total reward design which includes current utilization as well as level of importance for employees. In essence this will provide managers or human resource practitioner with new academic perspective of the 21st century aspects for the four generations.



6.2.3 Practical Significance

The research focussed on a very important and contemporary issue of reward management in South Africa, different generation groups of total reward and how it influences their intent to leave the organisation. The insights gained in terms of the different generation groups in relation to their intent to stay at the organisation and the biographical variables utilised in this study, motivates the effectiveness of total reward as a retention strategy.

An organisation's ability to retain talent holds economic benefits for the organisation both through cost containment (decreasing replacement costs) and revenue generation (through efficient application of talent) (Du Plessis, 2010). Therefore, one can conclude that a study around talent retention offers great benefit for the business environment. The research provides a new framework for management or human resource practitioners that perceptions of reward package or retention and support influence the employee's choice to stay or leave the organisation.

The next part summarises the limitations of the study.

6.3 LIMITATIONS OF THE STUDY

Despite the study provided relevant insights into total reward amongst different generation within South Africa organisations, it is expected that this study has the usual limitations of questionnaire research. More specifically, the following are recognised as specific limitations of this study:

- The sample of this study was a sample of convenience. This sample was chosen because the researcher had access with the environment and because that the target organisations declared itself available to participate in this study.
- Although the need for a comprehensive sample was needed in order to compare the total reward for different generation groups, the replies to the questionnaire remained voluntary. This caused the size and the quality of the sample dependent on the goodwill of the voluntary organisations. The



projected sample size 318 was further diminished by incomplete questionnaires. An adequate sample size (303) was still obtained to accomplish the purposes of this study, which was adequate to establish the relationship between the respective constructs. The sample size is deemed sufficient for the purposes of the study and for the analyse methods employed.

- It was assumed that participants would be evenly distributed in different generation groups.
- The perceptions of retention preference appear to not differ between generations. This research study focussed on mainly on three generations groups. The specific focus on only one of these generations would be ideal for more comprehensive investigations.
- It is apparent that participants were not motivated enough due to some questions were skipped although they were encouraged to participant and in return receive a copy of the results.

The recommendations originating from the findings of this study will be discussed next.

6.4 RECOMMENDATIONS

When considering the scope and complexity of this study area it is clear that recommendations can and should be made. The recommendations regarding the theoretical, methodological and practical perspectives are as follows:

6.4.1 Theoretical Recommendations

The literature reviewed the perceptions and preferences of the generations regarding reward or remuneration packages. An effort should be made to investigate the aspects such as organisational maturity or organisational life-cycle.



6.4.2 Methodological Recommendations

In terms of this study a few methodological suggestions can be made. The six-point Likert current utilisation scale applied in the Total Reward questionnaire should be further defined to improve the reliability and validity of responses. The complexity of the questionnaire and the detail that the questionnaire was managed to all organisation levels, suggested that different wording on the six point Likert scale should be provided. This could be necessary to avoid any confusion or misguiding sentences for respondents. Another recommendation is that the age groups could have divided in intervals of 10 years. Although the newly designed Total reward questionnaire was pilot tested it could have been administered to a minimum of three pilot tests to increase the reliability and validity of the questionnaire.

It is recommended that qualitative approaches and methods such as interviews, focus groups, observation, should be applied to compliment the questionnaire. This would also assist in attaining a participative audience a higher response rate.

6.4.3 Practical Recommendations

The study should be used by organisations to understand and realise the impact of employees' perceptions and preferences on employees' intention to leave the specific organisation. Thus, management's awareness of the aspects that impact these perceptions will enable them to manage it more effectively.

Another recommendation is to use a system that will ensure a higher response rate and adequate sample. Organisations should encourage developing a culture of research and this must be supported by top management in order to encourage employees to participate in research studies. Future research should either focus on organisations in a bigger variety of industries or merely on different organisation in one specific industry to ensure that results can be easily generalised.



Lastly, managers can recognise possible quitters with greater precision if one could survey employees and employers at several points in time in order to detect orderly variations in motivational levels and withdrawal cognitions over time.

6.5 SUGGESTIONS FOR POTENTIAL RESEARCH OPPORTUNITIES

The discoveries of the study revealed some interesting outcomes regarding the different total reward human resource managers and remuneration managers should take into account when attracting, recruiting and most of all retaining employees.

Possible gaps for future research opportunities can include total reward, perceived organisational support and perceived supervisor support and its relation to performance of the organisation or talent management practices. The conceptual framework developed by the researcher could be expanded to assist human resource managers and executive managers to retain key employee. It is recommended that the study be repeated on a larger sample to encourage a larger response rate and to follow market trends regarding retention or reward preferences for employees as well as for executives.

Another possible research can entail a comparison between different organisations in the respective stages of the organisation life cycle or maturity levels should be made with the main intention of generalising inferences. Future research could be undertaken to develop a retention model through the management of total reward specific to the organisation.

Based on these promising results of this study, future empirical explorations that are associated with retaining crucial skills in a multicultural setting ought to attempt to collaborate the findings of the present study with other measures of retention aspects and organisational or supervisor commitment.



6.6 FINAL CONCLUSION

This chapter provided the final conclusions and recommendation regarding this study by discussing the significance and the limitations of this study as well as suggesting potential research opportunities.

The study of total reward and specifically, different generation groups' perceptions regarding this field is still ever changing and transformation still exists in the essence of knowledge. Talent management is a comprehensive, multi-dimensional concept with a myriad of perceptions that influences its effectiveness. It holds the potential to influence talent retention amongst different generation employees and therefore once again confirms Ridderstrale & Nordstrom's (1999) proposition that talent can make capital dance. This potential ability of talent management to unlock capital has been the driving force behind it becoming a popular field of study.

Although the effect of work prospects and preferences on turnover intentions changes consistently implies that by enriching employees' expectations of a "brighter tomorrow" at their jobs can improve the probability of retention. So too, does the present study propose that there is still much more to discover about the dynamic complexion of the relationship between multi-generations' reward preferences and their perceived organisational or supervisor support. The key to attracting and most of all retaining excellent employees is based on improved diverse total reward model that is vital foundation for the employee value proposition.



7 LIST OF REFERENCES

- Allen, D.G., Shore, L.M., & Griffith, R.W. (2003). The role of perceived organizational support and supportive human resource practices in the turnover process. *Journal of Management*, 29(1), 99-118.
- Armstrong, M. & Brown, D. (2001). *New dimensions in pay management*. Chartered Institute of Personnel Management. UK: Kogan Page Ltd.
- Aon Hewitt (2012). Total rewards survey: Transforming potential into value. Retrieved July 15, 2013, from www.aonhewitt.com.
- Armstrong, M. & Thompson, P. (2005). E-Reward fact sheets, no 31, March. *E-Reward.co.uk.research report.* (Online). Retrieved April, 29, 2012, from http://www.sara.co.za.
- Armstrong, M. (2006). *A handbook of human resource management practice*. (10th edn.). UK: Cambridge University Press.
- Armstrong, M., Brown, D., & Reilly, P (2011). Increasing the effectiveness of reward management: an evidence-based approach. *Employee Relations*, 33(2), 106-120. Doi:10.1108/01425451111096668.
- Armstrong-Stassen, M., & Ursel, N. D. (2009). Perceived organizational support, career satisfaction, and the retention of older workers. *Journal of Occupational and Organizational Psychology*, 82, 201-220.
- Arnold, C.A., & Venter, D.J.L. (2008). The strategic importance of motivation rewards for lower level employees in the manufacturing and retailing industry. South African Journal for Industrial Psychology, 33(3), 15-23. Doi: 10.4102/sajip.v33i3.390.
- Artley, J. B., & Macon, M. (2009). Can't we just all get along? A review of the challenged and opportunities in a multi-generational workforce. *International Journal of Business Research*, *9*(6), 90-94.
- Ashton, C., & Morton, A. (2005). Managing talent for competitive advantage: Taking a systematic approach to talent management. *Performance Improvement Solutions*, *4*(5), 28-31.
- Balnaves, M., & Caputi, P. (2001). *Introduction to Quantitative Research Methods:*An investigative approach. London: Sage Publications.



- Bell, J. (2005). Doing your research project: A guide for first-time researchers in Education, Health and Social Sciences (4th edn). Buckingham: Open University Press.
- Breihan, A.W. (2007). Attracting and Retaining a Diverse Student Body: Proven, practical strategies. *Journal of Public Affairs Education*, *13*(1), 87-101.
- Briscoe, D., Schuler, R., & Claus, E. (2009). *International human resource management*. (3rd edn.). London: Routledge.
- Bussin, M. & Fletcher, S. (2008). *Managing the generation mix*. Johannesburg: 21st Century Pay Solutions Group. Retrieved March, 27, 2012, from http://www.21stcentury.co.za/index.php?option=com_content&view=article&id=64:exploring-the-link-between-incentives-and-motivation&catid=61:articles&Itemid=55.
- Bussin, M. (2003). Factors driving changes to remuneration policy and outcomes.

 Published Doctor of Commerce dissertation. Johannesburg: University of Johannesburg.
- Bussin, M. (2007). Components of remuneration- Enter the 5th Dimension.

 Johannesburg: 21st Century Pay Solutions Group. Retrieved March, 27, 212 from

 http://21stcentury.co.za/index.php?option=comcontent&view=article&id=64:ex pl-oring-the-link-between-incentives-and-motivation&catid=61:articles&Itemid=55.
- Bussin, M. (2011). The Remuneration handbook for Africa: A practical and informative handbook for managing and recognition in Africa. Randburg: Knowres Publishing.
- Bussin, M., & Huysamen, D. (2004). Factors driving changes to remuneration policy and outcomes. *South African Journal of Human Resource Management*, *2*(2), 45-54.
- Butler, T., & Waldroop, J. (2004). Understanding "people" people. *Harvard Business Review*, *82*(6)78-86.
- Cable, D. M., & Judge, T. A. (2002). Pay Preferences and Job decisions: A personorganization fit perspective. *Personnel Psychology, 47*, 371- 348.
- Cascio, W.F. (2003). Managing human resources. New York: McGraw-Hill.



- Cennamo, D., & Gardener, D. (2008). Generational differences in work values, outcomes and person-organisational fit. *Journal of Managerial Psychology*, 23(8), 891-906. http://dx.doi.org/10.1177/0886368706292542.
- Changing Minds. (2010). *Reciprocity norm.* Retrieved May 15, 2010, from Syque: http://changingminds.org/explanations/theories/reciprocity_norm.htm.
- Chew, J., & Chan, C. (2008). Human resource practices, organizational commitment and intention to stay. *International Journal of Manpower, 29*(6), 503-522.
- Chew, Y. T., & Wong, S. K. (2008). Effects of career mentoring experience and perceived organizational support on employee commitment and intentions to Leave: A study among hotel workers in Malaysia. *International Journal of Management*, 25(4), 692-700.
- Chiang, F. (2005). A critical examination of Hofstede's thesis and its application to international reward management. *International Journal of Human Resource Management*, 16, 1545-1563.
- Chiang, F.F.T., & Birtch, T.A (2006). An empirical examination of reward preferences within and across national settings. *Managements International Review*, *46*(5), 573-596. http://dx.doi.org/10.1007/s11575-006-0116-4.
- Chow, I.H.S & Ngo, H. (2002). Gender differences in job attribute preference and job choice of university students in China. *The Journal of Applied Business research*, 18(2), 15-25.
- Clark, D & Kleyn, N (2007). Why they leave? Unpublished Master's Thesis. University of Johannesburg.
- Codrington, G., & Grant-Marshall, S. (2004). *Mind the Gap!* Rosebank, South Africa: Penguin Books.
- Coetzee, C. J. (2006). *Barriers to change in a governmental service delivery type organisation*. Unpublished master's dissertation. Johannesburg: University of Johannesburg.
- Colon, E. (2005). The relation between generational differences and conflict management styles in a telemarketing call centre, Ph. D. thesis, University of Phoenix.
- Corby., S., Palmer, S., & Lindop, E. (2009). *Trends and tensions: An overview.* In S. Corby S. Palmer & E. Lindop (Eds.) Rethinking Reward (pp 3-20) New York: Palgrave Macmillan.



- Corporate Leadership Council (2002). *Executive compensation metrics and selection*. Washington DC: The Corporate Adviser's Board.
- Corporate Leadership Council. (2007). Leveraging total reward to attract and retain in-store employees. Retrieved February, 11, 2013 from http://www.corporateleadershipcouncil.com.
- Costello, R. (2010). Communicating Total Rewards: Spotlight on the Employee Value Proposition. *Aon Consulting*, 2(7), 1-3.
- Cox, A., Brown, D., & Reilly, P. (2010). Reward Strategy: Time for a more realistic reconceptualization and reinterpretation? *Thunderbird International Business Review, 52*(3), 249-260. DOI: 10.1002/tie.
- Creswell, J.W. (2007). Research Design: Qualitative, Quantitative and Mixed Methods Approaches. London: SAGE.
- Crumpacker, M. & Crumpacker, J. (2007). Succession planning and generational stereotypes: Should HR consider age-based values and attitudes a relevant factor or passing fad? *Public Personnel Management*, *36*(4), 349-369.
- Cummings, T.G., Worley, G.G. (2001). Essentials of organisational development and change. Cincinnati, Ohio: South Western College Publishing.
- Dahlroth, J. (2008). *The generation factor*. Association Meetings, Retrieved August, 5, 2012 from http://meetingsnet.com/marketing/generations-factor.
- Dawley, D.D., Andrews, M.C., & Bucklew, N.S. (2008). Mentoring, supervisor support, and perceived organizationl support: what matters most? *Leadership & Organization Development Journal*, 29(3), 235-247.
- Dawn, S. (2004). From one generation to the next. NZ Business, 18(1), 40-51.
- De Lange, R. (2010). Net salaris is nie genoeg om werkers te hou. In *Beeld*, 28 March 2010. Retrieved July 22, 2011.
- DeConinck, J. B. (2010). The effect of organizational justice, perceived organizational support, and perceived supervisor support on marketing employees' level of trust. *Journal of Business Research 63*(12), 1349-1355.
- DeConinck, J. B., & Johnson, J. T. (2009). The effects of perceived supervisor support, perceived organizational support, and organizational justice on turnover among salespeople. *Journal of Personal Selling & Sales Management*, XXIX (4), 333-350.
- Deloitte Development LLP. (2009) Under pressure: Compensation and retention during a turbulent economy. Retrieved March, 11, 2013 from



- http;//www.deloitte.com/assets/Dcom-
- Austria/Local20%Assets/Documents/Studien/HC/019_2009_Under%20pressure.pdf
- Deloitte. (2009). Talent Edge 2020: Building the recovery together-what talent expects and how leaders are responding. Managing Talent in a Turbulent Economy Survey. Retrieved April 2, 2012 form http://www.deloitte.com/assets/Dcom-United States/Local20%assets/Documents//IMOs/Talent/us_talent_talentedge2020e mployee_042811.pdf.
- Dencker, J.C., Joshi, A., & Martocchio, J.J. (2007). Employee benefits as context for intergenerational conflict. *Human Resource Management Review, 17*, 208-220.
- Döckel, A. (2003). The Effect of Retention Factors on Organisational Commitment:

 An investigation of High Technology Employees. Unpublished Master's thesis,

 University of Pretoria, Pretoria, South Africa.
- Drotter, S. (2010). Leadership Pipeline: Right leaders in the right jobs. *Leadership Excellence*, 12-13.
- Du Plessis, L. (2010). The relationship between talent management practices, perceived organisational support, perceived supervisor support and intention to quit amongst generation Y employees in the recruitment sector. Masters' thesis. University of Pretoria.
- Du Toit, G.E., Erasmus, B.J., & Strydom, J.W. (2007). Employee benefits as context for intergenerational conflict. *Human resource management review, 17*(2), 208-220. http;//dx.doi.org/10.1016/j.hrmr.2007.04.002.
- Dulebohn, J.H., Molly, J.C., Pichler, S.M., & Murray, B. (2009). Employee benefits: Literature review and emerging issues. *Human Resource Management Review*, 19, 86-103.
- Dwyer, R. J. (2009). Prepare for the impact of the multi-generational workforce! *Transforming Government: People, process and policy. 3*(2), 101-110.
- Eisenberger, R., Singlhamber, F., Vandenberghe, C., Sucharski, I.L., & Rhoades, L. (2002). Perceived supervisor support: Contributions to perceived organization support and employee retention. *Journal of Applied Psychology*, 87(3), 565-573.
- Eskom. (2009). Employment value proposition intelligence report.



- Field., A (2009). *Discovering statistics using SPSS* (3rd edn.) London: Sage publications.
- Fink, A.G (2009). How to conduct surveys: A step-by-step guide (5th edn.). Sage Publications, Inc.
- Foot, D. K., & Stoffman, D. (1998). Boom bust & echo 2000: Profiting from the demographic shift in the new millennium. (2nd edn.). Toronto: Mac-Farlane, Walter & Ross.
- Frank, F.D., Finnegan, R.P., & Taylor, C.R. (2004). The race for talent: retaining and engaging workers in the 21st Century. *Human Resource Planning, 27*(3), 12-25.
- Frase, M. J. (2007). Stocking Your Talent Pool. HR Magazine, 52(4), 76-74.
- Gesell, I. (2010). How to lead when the generation gap becomes your everyday reality. *The Journal for Quality and Participation, 1,* 21-24.
- Giancola, F. (2007). Employee engagement: What you need to know. *WorkSpan*, 57-59. Scottsdale: United States: WorldatWork Press.
- Giancola, F. (2008). Should generations' profiles influence reward strategy? *Employee Relations Law Journal*, *34*(1), 56-68.
- Giancola, F. (2009). The generation gap: More myth than reality. Human Resource Planning, 29(4), 32-37.
- Glass, A. (2007). Understanding generational differences for competitive success. Industrial & Commercial Training, 39(2), 98-103.
- Gorman, E.H. (2000). Marriage and Money. Work and Occupations, 27(1), 64-88.
- Gratton, L. (2004). More than Money. People Management, 29(23), 97-102.
- Gray, W.D. (2008). Cognitive architectures: Choreographing the dance of mental operations with the task environments. *Human Factors*, *50*(3), 497-505.
- Gross, S.E., & Friedman, H.M. (2004). Creating an effective total reward strategy:

 Holistic approach supports business success. *Benefits Quarterly, Third Quarter*, 7-12.
- Gursoy, D., Maier, T. & Chi, C. (2008). Generational differences of work values: An examination of work values and generational gaps in the hospitality workforce. International Journal of Hospitality Management, 27, 448-458.
- Guthrie, J. (2007). Remuneration pay effects and work in *The Oxford Handbook of Human Resource Management*, by Boxall, P., Purcell, J &Wright, P.(Ed) Oxford: Oxford University Press: 6-10.



- Haeberle, K., Herzberg, J. & Hobbs, T. (2009). Leading the multi-generational workforce. *Healthcare Executive*, 62-77.
- Hahn, J. A. (2011). Managing multiple generations: Scenarios form the workplace. *Nursing Forum, 46*(3), 119-127.
- Hall, J., & Sandelands, E. (2009). Addressing South Africa's engineering skills gap. *Education and Training*, *51*(3), 251-219.
- Harris, R.B., Harris, K.J., & Harvey, P. (2007). A test of competing models of the relationships among perceptions of organizational politics, percieved organizational support and individual outcomes. *The Journal of Social Psychology*, *147*(6), 631-655. DOI: 10.3200/SOCP.147.6.631-65.
- Haynes, D. (2002). Assessing existing remuneration strategies of medical representatives in South Africa. Unpublished MBA Thesis, Gordon institute of Business Science, University of Pretoria, Johannesburg.
- Hedge, J.W., Borman, W.C., Lammlein, S.E. (2006). The aging workforce: realities, myths and implications for organizations. Washington, DC: American Psychological Association. http://dx.di.org/10.1037/11325-000.
- Heneman, H.G., & Judge, T.A. (2003). *Staffing organization.* (4th edn.). Boston: McGraw-Hill.
- Herman, R.E., & Giola, J.L. (2000). *How to become an employer of choice.* USA: Oakhill Press.
- Hiles, A. (2009). Through time demand focus-total rewards strategy. *Benefits Quarterly*, 44-47.
- Hill, B., & Tande, C. (2006). Total Rewards: The Employment Value Proposition. *Workspan,* 19-22.
- Hill, T., & Lewicki, P. (2007). Statistics methods and applications. UK: Tulsa.
- Hui, C., Wong, A., & Tjosvold, D. (2007). Turnover intention and performance in China: The role of positive affectivity, Chinese values, perceived organizational support and constructive controversy. *Journal of Occupational* and Organizational Psychology, 80, 735-751.
- Hui, K.L., Teo, H.H., & Lee. S.Y.T. (2007). The value of privacy assurance: an exploratory field experiment. *MIS Quarterly, 31*(1), 19-33.
- Human Capital Institute & Vurv Technology. (2008). The role of HR in the age of talent. *Human Capital Leadership Excellence eJournal*, 1(6).



- lyer, R. & Reisenwitz, T.H. (2009). Differences in generation X and generation Y: implications for organization and marketers. *Marketing Management Journal*, 19(2), 91-103.
- Jacobson, W. S. (2007). Two's a company, three's a crowd and four's a lot to manage: supervising in today's intergenerational workforce. *Popular Government*, 18-23.
- Jawahar, I.M., & Hemmasi, P. (2006). Perceived organizational support for women's advancement and turnover intentions. *Women in Management Review, 21*(8), 643-661.
- Jenkins, J. (2008). Strategies for managing talent in a multigenerational workforce. *Employment Relations Today,* 19-26.
- Jorgenson, B. (2003). Baby Boomers, generation X and generation Y: Policy implications for defence forces in the new modern era. *Foresight 5*(4), 41-49. http://dx.doi.org/10.1108/146336680314094753.
- Kaliprasad, M. (2006). Attracting, retaining and motivating capable people. *Cost Engineering*, *48*(6), 20-26.
- Kapoor, C., & Solomon, N. (2011). Understanding and managing generational differences in the workplace. *Worldwide Hospitality and Tourism Themes,* 31(1), 308-318.
- Karp, H., Fuller, C., & Sirias, D. (2002). *Bridging the boomer Xer gap creating authentic teams for high performance work*. California: Davis-Black Publishing.
- Kaye, B., & Jordan Evans, S. (1999). Love' e or Lose'em: Getting Good People to Stay. San Francisco: Berrett-Koehler Publishers.
- Kerr- Phillips, B. & Thomas, A. (2009). Macro and micro challenges for talent retention in South Africa. South African Journal of Human Resource Management, 7(1), 1-10. DOI: 10.4102/sajhrm.v7i1.157.
- Khalifa, M. H. E. H., & Truong, Q. (2011). The effects of internal and external equity components of organisational commitment: An empirical study in the Egyptian hotel sector. *International Journal of Management*, *28*(1), 306-315.
- Knowledge Infusion. (2006). Trends in human capital management: The emerging talent management imperative. Retrieved May 22, 2013 from http://www.sap.com/brazil/pdf/solutions/business-suite/
 BWP_KI_Trends_Talent_Mgt.pdf.



- Kontoghiorghes, C., & Frangou, K. (2009). The association between talent retention, antecedent factors and consequent organizational factors. *SAM Advanced Management Journal*, 29-58.
- Lancaster, L. C., & Stillman, D. (2002). *When generations collide*. New York: Harper Collins.
- Leedy, P.D., & Omrod, J.E. (2010). *Practical research: Planning and design.* (9th edn.). New Yersey: Pearson Education International.
- Linkow, P. (2006). Winning the competition for talent. *Workspan, 10*(6), 29-32. US: WorldatworkPress.
- Lockwood, N. R. (2006). Talent Management: Driver or organizational success. *HR Magazine*, *51*(6).
- Loi, R., Hang-yue, N., & Foley, S. (2006). Linking employees' justice perceptions to organizational commitment and intention to leave: The mediating role of perceived organizational support. *Journal of Occupational and Organizational Psychology*, 79, 101-120.
- Longenecker, C., & Scazzero, J. (2003). The turnover and retention of IT managers in rapidly changing organizations. *Information System Management, 9*(2), 59-65.
- Lurz, B. (2004). Seven Ways to Win Talent War. Professional Builder, 94.
- MacGuire, D., Todnem, R., Hutchings, K. (2007). Towards a model of human resource solutions for achieving intergenerational interaction in organisations.

 Journal of European Industrial Training, 31(3), 592-608. DOI: 10.1108/03090590710833651
- Mahaney, R.C. & Lederer, A.L. (2006). The effect of intrinsic and extrinsic rewards for developers on information systems project success. *Project Management Journal*, 37 (4), 42-54.
- Management Imperative. Retrieved April 21, 2012, from http://www.sap.com/industries/insurance/pdf/BWP_Trends_in_Human_Capital _Management.pdf.
- Martson, C. (2003). Generational challenges in the workplace today and tomorrow. Florida countries Magazine,7-9.
- Masibigiri, V., & Nienaber, H. (2011). Factors affecting the retention of generation X public servants: An exploratory study. *South African Journal of Human Resource Management*, *9*(1), 2-11. Doi:10.4102/sajhrm.v9i1.318.



- Mengel, D. (2001). Top ten ways to retain high performance. *People Dynamics*, 19(9), 23-33.
- Mercer (2008). Mercer snapshot Survey: Total rewards- US reports. Retrieved 25

 June 2013, from

 http://www.imercer.com/uploads/US/pdfs/mercer_us_total_rewards_survey_%

 20sept2008.pdf.
- Metha, R., Anderson, R.E., & Dubinsky, A.J. (2000). The perceived importance of sales managers' rewards: a career stage perspective. *Journal of Business and Industrial Marketing*, *15*(7), 507-524.
- Michaels, E. G. (n.d.). The war for talent. *Human Resource Planning*, 8-10.
- Milkovich, G. T., & Newman, J. M. (1999). *Compensation.* (6th edn.) New York: McGraw-Hill Companies, Inc.
- Moore, A., & Bussin (2012). Reward Preferences for Generations in Selected IT Companies. South African Journal of Human Resource Management/ SA Tydskrif vir Menslikehulpbronbestuur, 10(1), 1-9. DOI: 10.4102/sajhrm.v10i1.325.
- Moore, K. A. (2002). Hospital Restructuring: Impacted on nurses mediated social support and a perception of challenge. *Journal of Health and Human Service Administration*, 55-59.
- Mucha, R.T. (2004). The art and science of talent management: *Organization Development Journal*, 22(4), 96-100.
- Muteswa, R., & Ortlepp, K. (2011). Contributing factors to potential turnover in a sample of South African management-level employees. *Acta Commercii*, 13-26.
- Netswara, F.G., Rankhumise, E.M., & Mavundla, T.R. (2005). Employee retention factors for South African higher education institutions: A case study. South African Journal of Human Resource Management/ SA Tydskrif vir Menslikehulpbronbestuur, 3(2), 36-40.
- Nienaber, R. (2009). The relationship between personality types and Reward Preferences. Unpublished Doctors theses, University of Johannesburg, Johannesburg, South Africa.
- Nienaber, R., Bussin, M., & Henn, C. (2011). The relationship between personalities types and reward preferences. *Acta Commercii*, *11* (2), 56-79.



- Noble, S. M., Schewe, C. D (2003). Cohort segmentation: an exploration of its validity. Journal of Business Research, 56(12), 979-987. http://dx.doi.org/10.1016/S014829639(02)00268-0.
- Nujjoo, A., & Meyer, I. (2012). The relative importance of different types of rewards for employee motivation and commitment in South Africa. South African Journal of Human Resource Management, 10 (2), 1-10. http://dx.doi.org/10.4102/sajhrm.v10i2.442.
- O'Neil, S. (2010). Basic Research Methodology Reader.
- Orciani, D. (2009). A manager's perspective on how to effectively manage the Multigenerational workforce. *The Magazine of WorldatWork, 7*(9), 79-80.
- Pallant, J. (2011). SPSS Survival Manual: A step by step guide to data analysis using SPSS. (4th edn.). Australia: Allen & Urwin.
- Parker, O. & Wright, I. (2001). The missing link: Pay and employee commitment. *Ivey Business Journal*, *65*(3), 70-79.
- Pathbreakers. (1996). Social exchange theory. Retrieved May 15, 2010, from University of Washington: http://www.washington.edu/research/pathbreakers/1978a.html.
- Quarterly Labour Force Survey (2012). Retrieved May 25, 2012 from Statistics South

 Africa,

 http://www.statssa.gov.za/publications/P0211/P02114thQuarter2012.pdf
- Ready, D.A., & Conger, J.A. (2007). Talent factory. *Harvard Business Review, 85*(6), 69-77.
- Reindl, R. (2007, February). Growing Talent at Edwards Lifesciences. *Training & Development*, 38-41.
- Reward Online (2010). *Industry classification*. [Online]. Retrieved August 15, 2013, from: https://www.rewardonline.co.za//articles/Industry%20Classifications%20Jul%2
- Reynolds, L.A (2005). Communicating total rewards to the generations. *Benefits Quarterly*, 21(2), 13-17.

009.pdf.

Rhoades, L., & Eisenberger, R. (2002). Perceived organizational support: A review of the literature. *Journal of Applied Psychology*, *87*(4), 698-714. DOI: 10.1037//0021-9010.87.4.698.



- Ridderstrale, J., & Nordstrom, K. (1999). *Funky business: Talent makes capital dance*. Stockholm: Book house Publishing.
- Riggle, R.J., Edmondson, D.R., & Hansen, J.D. (2009). A meta-analysis of the relationship between perceived organizational support and job outcomes: 20 years of research. *Journal of Business Research*, 62, 1027-1030. DOI: http://EconPapers.repec.org/RePEc:eee:jbrese:v:62:y:2009:i:10:p:1027-1030
- Robert, M. & Börjesson, M. (2006). Company incentives and tools for promoting telecommuting. *Environment and Behaviour, 38*(4), 521-549.
- Rubino, J. A. (2006). The new total rewards model: How to attract, retain and motivate the best and brightest. Paper presented at the South African Reward Association. Retrieved March, 22, 2012 from http;//sara.co.za/libraryeventdocuments/eventdocuments2006/saracon06/John%20Rubino.pdf.
- Rynes, S., Gerhard, B., & Minette, K. (2004). The importance of pay in employee motivation: Discrepancies between what people say and what they do. *Human Resource Management, 43*(4), 381-394. DOI: DOI: 10.1002/hrm.20031.
- Sabelhaus, J. & Manchester, J. (1995). Baby Boomers and their parents: How does their economic well-being compare in the middle age? *The Journal of Human Resources*, *30*(4), 791-806.
- Saunders, M., Lewis, P., & Thornhill, A. (2009). Research methods for business students (5th edn.). England: Pearson Education Limited.
- Shanock, L. R., & Eisenberger, R. (2006). When supervisors feel Supported: Relationships with subordinates' percieved supervisor support, percieved organizational support, and Performance. *Journal of Applied Psychology*, 91(3), 689-695. DOI: 10.1037/0021-9010.91.3.689.
- Sharma, R., & Bhatnagar, J. (2009). Talent management competency development: key to global leadership. *Industrial and Commercial training,* 41(3), 118-132. DOI: 10.1108/00197850910950907.
- Shaul, C. (2007). The attitude towards money as a reward system between the age groups corresponding to the boomers, generation X, and generation Y employees. Ph. D. thesis, Alliant International University, Marshall Goldsmith School of Management.



- Sheldon, K.M., Gunz, A., Nichols, P.C & Ferguson, Y. (2010). Extrinsic value orientation and affective forecasting: Overestimating the rewards, underestimating the cost. *Journal of Personality*, 78(1), 149-178. DOI: 10.1111/j.1467-6494.2009.00612.x
- Shen, K. F. (2011). The analytics of critical talent management. *People & Strategy*, 34(2), 51-56.
- Sherman, R. (2006). Leading a multigenerational nursing workforce: Issues, challenges and strategies. *Online Journal of Issues in Nursing*, 11(2).
- Shore, L.M., & Tetrick, L.E. (1991). A construct validity study of the survey of perceived organizational support. *Journal of Applied Psychology*, *76*(5), 637-643.
- Smola, K.W., & Sutton, C.D. (2002). Generational differences: revising generational work values for the new millennium. *Journal of Organizational Behavior, 23*, 363-382.
- Snelgar, R.J., Renard, M., & Venter, D. (2013). An empirical study of the reward preferences of South African employees. South African Journal of Human resource management, 11(1), 2-14, http://dx.doi.org/10.4102/sajhrm.v11i1.351.
- Social Research Methods. (n.d.). *Reliability and Validity: What's the Difference?*Retrieved May 24, 2012, from Social Research Methods: http://www.socialresearchmethods.net/tutorial/Colosi/Icolosi2.htm.
- Society for Human Resource Management. (2009). 2009 Employee Job Satisfaction: Understanding the Factors that Make Work Gratifying.
- SPSS Inc. (2012). SPSS 20.00 for Windows. Chicago, IL: SPSS Incorporated.
- Sullivan, S.E., Forret, M.I., Carraher, S.M., Mainiero, L.A. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, *14*(3), 284-302. DOI: 10.1108/13620430910966442.
- Sung, A., & Todd, E. (2004). Line of sight: Moving beyond the catch phrase. *WorkSpan*, 65-69, Scottsdale, United States: WorldatWork Press.
- Swanepoel, B.J., Erasmus, B.J., & Schenk, H.W. (2008). *South African Human Resourced Management: Theory and Practice* (4th edn.) Cape Town: Juta.



- Tang, T. L. P., & Ibrahim, A. H. S. (1998). Antecedents of organizational citizenship behaviour: public personnel in the United States and in the Middle East. *Public Personnel Management*, 27, 529-548.
- Tang, T., Luna-aroca, R., Sutarso, T. & Tang, D (2004). Does the love of money moderate and mediate the income-pay satisfaction relationship? *Journal of Management Policy*, 19(2), 111-135.
- Towers, P. (2007). Using total rewards to build an effective employee value proposition. Retrieved April 28, 2012 from: http://www.towersperrin.com.
- Tuzun, I.K., & Kalemci, R.A. (2011). Organizational and supervisory support in relation to employee turnover intentions. *Journal of Managerial Psychology*, 27(5), 518-534. DOI: 10.1108/02683941211235418.
- Twenge, J.M., Campbell, S.M., Hoffman, B.J., & Lance, C.E. (2010). Generational differences in work values: Leisure and extrinsic values increasing, social and intrinsic values decreasing. *Journal of Management*, *36*(5), 1117-1142. DOI: 10.1177/0149206309352246.
- UC Regents. (2010). Guide to managing human resources Chapter 12: Managing

 Diversity in the Workplace, 1-4, University of California: Berkeley,

 www.hrweb.berkeley.edu/guide/diversity.htm.
- Ulrich, D., & Lawler, E. D. (2008). *Talent: Making people your competitive advantage*. San Francisco: Jossey-Bass.
- Van Dyk, J., & Coetzee, M. (2012). Retention factors in relation to organisational commitment in medical and information technology systems. *South African Journal of Human Resource management,* 10(2), 1-11. http://dx.doi/sajhrm/10.4102/sajhrm.v10i2.433.
- Van der Merwe, S. (2012). Remuneration's role in the EVP decision-making process.

 Unpublished master's dissertation. University of Pretoria, Gordon Institute of Business Science.
- Van Rooy, D. J. (2010). Total Rewards strategy for a Multi-generational workforce.

 Unpublished Masters Dissertation, Gordon Institute of Business Science,

 University of Pretoria. Retrieved March 3, 2013, from:



- http://www.upetd.ap.ac.za/thesis/available/etd-07232011-130827/unrestricted/dissertation.pdf.
- Van Rooyen, L., du Toit, D. H., Botha, E., Rothmann, S. (2010). Artisan retention in an organisation in South Africa. South African Journal of Human Resource Management, 8(1), 1-8. DOI: 10.4102/sajhrm.v8i1.300.
- Van Schalkwyk, L., Els, C., & Rothmann, I. (2011). The moderating role of perceived organisational support in the relationship between workplace bullying and turnover intentions across sectors. South Africa. South African Journal of Human resource Management, 9 (1), 1-13. http://dx.doi.org/10.4102/sajhrm.v9i1.384.
- Van Vuuren, M. (2006). Why Work? The contribution of value perceptions and efficacy expectations to organisational commitment. Doctor's thesis. University of Twente.
- Williamson, D. (2011). Talent management in the new business world: How can organizations can create the future and not be consumed by it. *Human Resource Management International Digest,* 19(6), 33-36. http://dx.doi.org/10.1108/09670731111163518.
- WorldatWork. (2007). The WorldatWork handbook of compensation, benefits and total rewards. New Jersey: John Wiley & Sons, Inc.
- WorldatWork. (2010). The relative influence of total rewards elements on attraction, motivation and retention. Retrieved March 3, 2012, from: http://www.worldatwork.org.
- Wright, T.A. (2010). The role of psychological well-being in job performance, employee retention and cardiovascular health. *Organizational Dynamics*, 38(1), 13-23. DOI: 10.1016/j.orgdyn.2009.10.009.
- Yang, S., & Guy, M.E. (2006). Genxers versus Boomers: Work motivators versus management implications. *Public Performance and Management Review*, 29(3), 267-284.
- Zagenczyk, T.J., Scott, K.D., Gibney, R., Murrell, A.J., & Thatcher, J.B. (2010). Social influence and perceived organizational support: A social networks analysis. *Organizational Behavior and Human Decision Processes*, 111, 127-138.



- Zemke, R., Raines, C., & Filipczak, B. (2002). *Generations at work: Managing the clash of Veterans, Boomers, Xers and Nexters in your workplace*. Toronto: Amacon.
- Zhang, Y. (2000). Using the internet for survey research: A case study. *Journal of the American Society for Information Science*, *51*(1), 57-68.
- Zingheim, P. K, & Schuster, J. (2000). Pay People right! Breakthrough reward strategies to create great companies. San Francisco, CA: Jossey-Bass.
- Zingheim, P. K., & Schuster, J. R. (2008). Managing total compensation to achieve multiple objectives. *MWorld*, *7*(1)37-40.



APPENDIX A	
- Data Collection Instruments-	



Consent

A1. I hereby give my informed consent to take part in the research project

Please ch	oose c	only one of th	e follow	ring:							
Yes											
No No											
If yes, pleas	e answe	er the following o	uestions:								
Part 1: Blo	OGRAF	PHICAL INFOR	MATION	l							
<u>Please ar</u>	Please answer each of the following questions by ticking the number corresponding to you answer or by filling in your response in the space provided.										
A2. Age in	years										
<31		1	32-47	2	48	-66	3		66+	4	
A3. Gend	der									153	
Male		1	Female	2							
A4. Race											
Black	1	Coloured	2	Indian	3		White	4	Other	5	
A5. Highes	st acad	emic qualifica	tion								
3		Grade 12 /Ma		/er	1						
		Certificate/ di	oloma		2						
		Degree (3-ye			3						
		Honours	,		4						
		Masters			5						
		Doctoral/ PhD)		6						

A6. Please indicate the industry that you work in by selecting one of the following:

Extractive (agriculture, forestry and paper)	1
Transformative (construction and building, manufacturing, electrical, machinery,	2
automobile, pharmaceutical)	

Producer Services (banking and financial, insurance, real estate, engineering, consultancy, accounting, legal services, research, IT, miscellaneous business services)	3
Social Services (medical and health, education, welfare, non-profit organisations, postal services, government, state owned enterprises)	4
Logistics and Transport	5
Personal Services (hotel and hospitality, entertainment and leisure, print and media)	6
Other	7

A7. What job level represents your current position?

Staff (Administrative & Operational)	1
Specialist/ Technical	2
Junior management	3
Senior management	4
General/Executive management	5
Other	6

A8. Number of years with company:

•	aro miar company.	
	Less than 3 years	1
Ī	2-5 years	2
Ī	5- 10 years	3
I	More than 10 years	4

A9. Which one of the following best describes the length of time you intend to continue working for this organisation?

At most 1 year	1
At most 2 years	2
At most 5 years	3
More than 5 years	4



Part 2: TOTAL REWARD

<u>Definitions</u>	<u>Descriptions</u>	<u>Examples</u>
Total Reward Strategy	Everything included in the remuneration of employees by the employer	Monetary and Non-Monetary rewards in a business
Total Reward Components	Compensation; Benefits; Work-Life Balance; Performance Management and Recognition; Development and Career Opportunities	Salary; Medical Aid; Flexi- time; Awards; On-the-job training

For each determinants, please select the most appropriate rating based on the six- and fivepoint scale, for both "level of importance "and "current utilization" that reflect YOUR personal preference regarding what will retain you:

B1. Compensation

		L	_evel of i	mport	ance							
	Not at all	Low	Average	Highly	Extremely important	Not applicable in my job	To no extent				To a large extent	
	1	2	3	4	5	6	1	2	3	4	5	
B1.6 Base salary												B1.1
B1.7 Market-related salary												B1.2
B1.8 Short-term Incentive												B1.3
B1.9Long-term Incentive												B1.4
B1.10 Company contribution to provident or pension fund												B1.5

B2. Benefits:

			Level of i	mporta	nce							
	Not at all	Low	Average	Highly	Extremely important	Not applicable in my job	To no extent				To a large extent	
	1	2	3	4	5	6	1	2	3	4	5	
B2.13Medical aid benefits												B2.1
B2.14Disability benefits												B2.2
B2.15 Insurance												B2.3
B2.16 Laptop and internet/G3												B2.4
B2.17 Car allowances												B2.5



B2.18 Cell phone allowances						B2.6
B2.19 Personal safety and security in the workplace						B2.7
B2.20 Uniforms						B2.8
B2.21 On-site Crèches						B2.9
B2.22On-site Dry cleaning						B2.10
B2.23Provident or pension fund						B2.11
B2.24 Counselling						B2.12

B3. Work-Life Balance:

		rtance	(
	Not at all	Low	Average	Highly	Extremely important	Not applicable in my job	To no extent				To a large extent	
	1	2	3	4	5	6	1	2	3	4	5	
B3.9Telecommuting												B3.1
B3.10 Flexible hours												B3.2
B3.11Community contribution												B3.3
B3.12 Maternity leave												B3.4
B3.13Paternity leave												B3.5
B3.14 Study leave												B3.6
B3.15 Sabbatical leave					•							B3.7
B3.16 Comfortable work environment					•							B3.8

B4. Performance Management & Recognition

		Level of importance				Current utilization						
	Not at all	Low	Average	Highly	Extremely important	Not applicable in my job	To no extent				To a large extent	
	1	2	3	4	5	6	1	2	3	4	5	
B4.6 Leadership style of the organisation												B4.1
B4.7Formal recognition (e.g. fully paid trip overseas)												B4.2
B4.8 Informal recognition (e.g. thank you note)												B4.3
B4.9 Performance review												B4.4



B4.10 Performance support						B4.5

B5. Development & Career Opportunities

		L	evel o	f imp	ortance		Current utilization				n	
	Not at all	Low	Average	Highly	Extremely important	Not applicable in my job	To no extent				To a large extent	
	1	2	3	4	5	6	1	2	3	4	5	
B5.8 Career or personal development plan												B5.1
B5.9 Organisational climate												B5.2
B5.10 Succession planning												B5.3
B5.11 Training opportunities												B5.4
B5.12 International job opportunities												B5.5
B5.13 Mentorship												B5.6
B5.14Bursaries/ funding for tertiary qualifications												B5.7

B6. Please rank the following factors in order of importance that will influence you to stay at your current organisation: Please complete all five factors.

1- Compensation	
2- Benefits	
3- Work-life balance	
4- Performance management and recognition	
5- Development & career opportunities	

Part 3: PERCEIVED ORGANISATIONAL SUPPORT

Listed below and on the couple of statements that represent possible opinions that YOU may have about working at your organisation. Please indicate the degree of your agreement or disagreement with each statement by crossing out the answer that best represents your point of view about your organisation.

C1. The organisation values my contribution to its well-being.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

C2. The organisation succeeds to appreciate any extra effort from me.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

C3. The organisation would notice any complaint from me.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

C4. The organisation really cares about my well-being.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

C5. The organisation cares about my general satisfaction at work.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

C6. The organisation takes pride in my accomplishments at work.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

Part 4: PERCEIVED SUPERVISOR SUPPORT

Listed below and on the couple of statements that represent possible opinions that YOU may have about working for your supervisor. Please indicate the degree of your agreement or disagreement with each statement by crossing out the answer that best represents your point of view about your relevant supervisor.

D1. The Supervisor values my contribution to my well-being.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

D2. The Supervisor succeeds to appreciate any extra effort from me.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

D3. The Supervisor would notice any complaint from me.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

D4. The Supervisor shows great concern for me.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

D5. The Supervisor cares about my general satisfaction at work.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree



D6. The Supervisor takes pride in my accomplishments at work.

1	2	3	4	5
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

Thank you very much for your time and for participating in this survey





APPENDIX B	
- Respondents' Letter of Consent-	





Informed consent for participation in an academic research study

Dept. of Human Resource Management

RETENTION PREFERENCES FROM A MULTI-GENERATION WORKFORCE PERSPECTIVE: THE RELATIONSHIP BETWEEN TOTAL REWARDS, PERCEIVED ORGANISATIONAL SUPPORT, AND PERCEIVED SUPERVISOR SUPPORT

Research conducted by:

Ms. E. Smit

Student number: 12306755

Cell: 072 613 6922

RESEARCH RE: Retention preferences from a multi-generation workforce

Dear Respondent

You are invited to participate in an academic research study conducted by Elmien Smit a Masters student from the Department of Human Resource Management at the University of Pretoria.

The purpose of the study is to investigate the relationship between multi-generations' total reward and their perceived support. The final outcome of the study should lead to the development of guidelines that enables organisations to retain talented employees from different generations.

Please note the following:

- This study involves an <u>anonymous</u> survey. Your name will not appear on the questionnaire and the answers you give will be treated as strictly <u>confidential</u>. You cannot be identified in person based on the answers you give.
- Your participation in this study is very important to us. You may, however, choose not to participate and you may also stop participating at any time without any negative consequences.
- There are no "right" or "wrong" responses; the inventory will reflect your own perceptions, knowledge and or experience of retention determinants.
- Please answer the questions in the attached questionnaire as completely and honestly as possible. This should not take more than 15 minutes of your time.
- The results of the study will be used for academic purposes only and may be published in an academic journal. We will provide you with a summary of our findings on request.
- Please contact my supervisor, Prof Karel Stanz, Karel.stanz@up.ac.za./ 012 420 3074 if you have any questions or comments regarding the study.