Impact of managers on the retention of knowledge workers from different race groups within the manufacturing sector

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A research project proposal to the Gordon Institute of Business Science, University of Pretoria, in partial fulfillment of the requirements for the degree of Master of Business Administration.

13 November 2008
The need for this research stems from the fact that organisations today are finding it increasingly difficult to attract and retain knowledge workers. Literature has also shown that how long an employee stays in an organisation is determined by their relationship with their manager. By identifying the key managerial behaviours that are considered by knowledge workers to be important for retention, organisations will stand a greater chance of retaining these individuals.

This research investigated what impact the knowledge worker's perception of his manager's behaviour has on his intention to stay with the organisation. The research also aimed to establish whether perceived managerial behaviour affected retention differently for the different race groups.

A quantitative study was done which was based on a previous study by Rhule (2004). The current study focuses on knowledge workers in a leading Pulp and Paper company in South Africa.

The study found that there is a strong relationship between the knowledge workers perception of the manager's behaviour and intention to stay. Another key finding is that there is no significant difference between black and white respondents in how competent they perceive their managers to be on managerial behaviours they consider important for retention.
I declare that this research project is my own work. It is submitted in partial fulfillment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

____________________________________
Naresh Naidoo

13th November 2008
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1.1 INTRODUCTION

Organisations face global competition, changing markets and uncertainty. This makes it very difficult to attract, develop and retain the talent they need.

Hay (2002) argues that the ‘war for talent’ is an international phenomenon. Increased competition for talented employees from other companies, once a rarity, is now a common and generally accepted practice in the new labour market according to Cappelli (2000). Research that the Gallup organisation conducted indicates that talented employees need great managers. They also found that the duration an employee stays within an organisation is determined by his or her relationship with their immediate supervisor (Buckingham and Coffman, 2000).

Smith and Rupp (2003, p.251) identified in their research work that knowledge workers work harder because of increased involvement and commitment that comes from having more control and say in their work; they work smarter because they are encouraged to build skills and competence and they work more responsibly because more responsibility is placed in the hands of employees further down in the organisation.
As the competition increases worldwide, there is an ever increasing development of the knowledge economy. The knowledge worker plays a key role in this economy. Cole (2004) describes this individual as working in teams towards various and changing goals, and who seeks autonomy, more work-life balance, skills development to enhance employability, less structure and who places significant emphasis on reward and recognition. The manufacturing industry, and the pulp and paper industry in particular, plays a major role in the knowledge economy and employs a large number of knowledge workers due to the highly technological processes. Employers therefore need to understand what knowledge workers consider important so that they may retain them in the organisation.

This background supports the need for further research to better understand the role that managers play in the retention of knowledge workers from different race groups.

1.2 MOTIVATION FOR THE RESEARCH

Organisations today are finding out that it is becoming increasing difficult to attract talented and skilled employees and they face the constant risk of losing their highly talented employees. Kotze and Roodt (2005, p.48) refer to a survey among HR professionals where 75% of the respondents believe that retention is their number one people-related issue. Ninety two percent of respondents were of the opinion that retention is increasing in importance.
Because knowledge workers are the future leadership of organisations, it is essential for employers to understand how best to retain these knowledge workers after they have invested large amounts of time, money and effort into their development. By identifying the key managerial behaviours that are important for the retention of knowledge workers, organisations will stand a greater chance of retaining these individuals.

1.2.1 IMPORTANCE OF RETENTION IN SOUTH AFRICA

In the South African economy, there is a greater demand for talented workers than the number of individuals actually available which is depleting the talent pool (Bakos, 2007). The retention of talent is not unique to South African companies. The challenges however are made more difficult due to the number of skilled and talented individuals that are emigrating and a need to address employment equity, which is fuelling the war for talent among people from designated groups (Kotze and Roodt, 2005, p. 48). Many South African companies have had little success in retaining high potential black employees. This has had a negative impact on their intention to address transformation (Wöcke and Sutherland, 2008). A South African study by Thomas (2002) has highlighted that, while black managers may leave companies for better pay and benefits, they also resign because they feel that they do not fit in with the historically established corporate cultures.
This research aims to build on the study done by Rhule. The study by Rhule (2004) focused on the behaviours of managers that affect the retention of high potentials within an organisation. The research also focused on their perception of how effectively their expectations of those managerial behaviours are being met. The study was conducted on high potentials from 2 different generational categories namely Baby boomers and Generation X to determine if there were any generational differences within the high potentials and these managerial behaviours. Results of the study show that the two generations are more alike than different (Rhule, 2004).

This current study aims to build on the study by Rhule with the following changes:

1) To use a larger population for the survey as suggested by Rhule (2004) in her research.

2) To conduct the study in the manufacturing industry instead of the financial or telecommunication industry.

3) To focus on the different race groups instead of generation groups to see if there are any significant differences in the findings compared to the study by Rhule (2004) using different generations.
The research questions for the study by Rhule were:

1) What are the effects of the manager’s perceived behaviour on the intention of high potential individuals to remain with the organisation?

2) What is the high potential’s perception of the manager’s behaviours verses their perceived importance of those behaviours? What are the effects of this difference on the high potentials intention to stay with the organisation?

3) What managerial behaviours do high potentials value as important to staying for the different generation categories? (Rhule, 2004, p.10).

The participants in the study by Rhule were high potentials from a financial institution and a telecommunications organisation. A small population of 69 individuals was identified for the study.

The questionnaire consisted of 36 managerial behaviour questions developed from a literature review. The questions first asked the individual to rate the importance of the behavioural statement to them staying with the organisation, and then secondly to rate how well the individuals current manager is performing on that behavioural item. The questionnaire was put on a website and made eligible to identified participants.
1.3 RESEARCH AIM

The aim of the intended research is to determine whether a manager’s behaviour plays an influential role in the retention of knowledge workers in the manufacturing sector. The research will aim to determine the most important managerial behaviour that knowledge workers perceive as being important for retention and whether perceived managerial competency affect retention differently for the various race groups.
2.1 INTRODUCTION

The literature review covers the following areas

**The knowledge worker.** The definition of a knowledge worker is first established followed by a review of the characteristics of a knowledge worker.

**Diversity Management.** The literature review then focuses on diversity management and the impact on retention, with specific focus on the South African context. This is followed by a review of the benefits of diversity management.

**Retention and labour turnover.** This section starts with a discussion on the retention of talent in the manufacturing industry followed by a look at trends in labour turnover and retention. The literature review then assesses the effects of retention on company performance.

**Consequences of labour turnover.** Whilst there are many negative consequences of labour turnover which are identified, the literature review also identifies some positive consequences of labour turnover.

**Antecedents of labour turnover.** The literature review ends with a look at the antecedents of labour turnover with the main focus on the influence of the manager on labour retention.
2.2.1 DEFINITION OF A KNOWLEDGE WORKER

Drucker (1994) defines a knowledge worker as an employee who applies theoretical and analytical knowledge, acquired through formal education, and requires continuous learning. McDade and McKenzie (2002, p.34) define a knowledge worker as “someone who uses their ideas, creativity and intellectual rigor to create extra value for the organisation.” Later Davenport (2005, p.34) referred to a knowledge worker as “someone whose primary job is to do something with knowledge: to create it, distribute it, and apply it.” He also identifies a knowledge worker as having a high degree of education or experience.

2.2.2 CHARACTERISTICS OF A KNOWLEDGE WORKER

A knowledge worker takes his career advancement into his own hands by studying further and acquiring more qualifications (Cappelli, 2000). The factors that knowledge workers consider very important in motivating them are interesting and challenging work, responsibility and the opportunity to develop their skills (Cappelli, 2000). Cooper (2006) refers to knowledge workers as employees with a high degree of education and experience and are an integral part of innovation, business growth and competitiveness. Kim and Mauborgne (2003) argue that creating and sharing knowledge are intangible activities that
or forced out of people. They suggest that the only way to succeed is to get people to cooperate voluntarily.

The above definitions and characteristics enables one to conclude that knowledge workers are well educated, have a need for continuous learning and want to be given the opportunity to use their skills to benefit the organisation.

2.3 DIVERSITY MANAGEMENT

Diversity management is an important aspect of business in South Africa together with employment equity. According to Human (1996, p.50), affirmative action in South Africa is part of a process of managing the country’s diversity. The author also suggests that line managers need to be competent in managing diversity in the workplace. Human (1996, p.50) indicates that a line manager who is prejudiced against people from a specific racial group is unlikely to manage those people effectively and to recognise and encourage their strengths and talents. Cappelli (2000) argues that different groups of people require different approaches to retention. This indicates that one cannot expect to retain a diverse workforce using a single retention strategy.
The research work in the U.S investigated by Panoch (2001) highlighted that retaining people of colour has proved to be difficult for many organisations. Two studies by the National Society for Black Engineers and the Women’s Centre for Policy Studies have discovered that between one-third and slightly more than two thirds of multicultural professionals were actively looking for new jobs or seriously considering it (Panoch, 2001, p.29). Panoch (2001) concluded from the study that organisations can build an interdependent work environment only when they discover and understand the individual differences of employees.

Booysen (2005 in Wocke and Sutherland, 2008, p.532) refer to the three social identities present in the South African workplace: white males, Africans, and a middle group consisting of white females, Coloureds and Indians. The study by Wocke and Sutherland (2008, p.539) indicated that African managers were the most positive group about employment equity and they felt that the legislation would positively affect their future prospects, rewards and earnings and opportunities to use their skills and ability.

Through a literature review, Booysen (2007) identified several reasons for the high attrition rate of black employees in South African companies. These include a lack of cultural sensitivity, lack of an organisational culture that
2.3.1 THE BENEFITS OF DIVERSITY

The benefits of diversity highlighted by Thomas and Doak (in Ocholla, 2002) are the achievement of more co-operative choices amongst people from the different race groups and improved idea generation during brainstorming sessions. Allen, Dawson, Wheatley and White (2008) argue that diversity in the workplace can be a competitive advantage. It allows greater creativity and challenges people to view things differently which could result in finding more than one way to solve a problem. Uys (2003) indicates that diversity management initiatives increase productivity, competitiveness and workplace harmony. Other researchers indicate that diversity provides benefits, such as the ability to attract and retain the best people, cost savings due to lower turnover and improved problem solving (Allen et al., 2008).

2.4 EMPLOYMENT EQUITY AND TRANSFORMATION

2.4.1 WHY IT IS IMPERATIVE

Employment equity and transformation in the South African workplace has been driven by the need to address the history of apartheid. It intended to transform the basic structure and core values of South Africans to ensure that
Since democracy South Africans have experienced major changes in the area of employment relations in organisations. Although numerous pieces of legislation have been put in place to achieve social justice, progress in redressing unfair discrimination in the workplace has been slow and uneven (Booysen, 2007, p.47).

The transformation journey resulted in introducing several Employment Equity legislations such as the Employment Equity Act (1998) and the Constitution of South Africa (1996). The intention of these legislations is to create an environment that provides everyone with equal opportunity by requiring specific initiatives in the organisations, with affirmative action occupying a key role (Wocke and Sutherland, 2008). The act requires employers to implement preferential treatment to previously disadvantaged individuals (PDI) to redress the imbalances of the past in the distribution of jobs, occupation and income (Wocke and Sutherland, 2008). Research by Thomas (2002) show that while legislation is critical to addressing unfair workplace discrimination, organisational culture change also has to take place for it to succeed.
EQUITY AND TRANSFORMATION

One of the obvious benefits of employment equity and transformation legislations of post 1994 is the uplifting of the majority of the population, the Black Africans, by forcing changes in the workplace so that the past injustices are reversed (Thomas and Jain, 2004).

Some of the benefits of employment equity to business as indicated by Thomas (2002, p242) are:

- Tapping into skills not previously available in a company characterized by a homogeneous workforce.
- Enhancing company creativity and problem solving
- Enhancing team performance
- Attracting and retaining the best talents, especially amongst those representing new consumer markets

Reddy (2004 in Wöcke and Sutherland, 2008) argues that the current labour legislation can be seen as protecting equity individuals and making it more difficult for others. He suggests that the legislation has artificially increased the demand for skilled Black employees. Reddy also states that increased market flexibility has led to the weakening of the psychological contract between employer and employee, which has reduced the employee’s loyalty to the company.
Booysen (2004 in Wöcke and Sutherland, 2008, p532) identified several examples of intergroup anxiety and tension that have resulted from the apartheid legacy and transformation efforts.

Thomas (2002, p239) highlighted some concerns with regard to employment equity. These included:

- the increased cost to government and the tax payer due to the administrative burden of monitoring and enforcement.
- The shortage of skills in some sectors will make black skills more expensive and unaffordable to smaller companies, thus providing disincentives for expansion and investment.
- Race classification can be heightened and reverse discrimination will lead to a decrease in employee loyalty and the lack of retention of skilled employees, primarily white males.

2.4.3 OVERVIEW OF SKILLS IN VARIOUS RACE GROUPS IN SOUTH AFRICA

A Detailed study on Employment Equity progress is depicted in the report of the Commission for EE which contains comparative EE statistics for large employers (Booysen, 2007).
The key evidence from Table 1 is that black representation at the professionally qualified level dropped 11.5% whilst white representation increased by 11.4% from 2001 to 2005. This trend continued for 2006 with a further decrease of 1.9% for blacks and an increase in white representation of 1.9% compared to 2005. In particular, the biggest decrease was in the African race group with an 18.2% decrease in employment in the professional category from 2001 to 2005. Although the decrease in the African race group
The declining trend is still alarming. Another concern depicted in Table 1 is the decrease in female representation in the professional level by 1.9% from 2005 to 2006 whilst male representation has increased by 2.2% over the same period. This highlights the slow EE progress at professional levels in South African organisations, which is a concern as the professional employees could be seen as the feed to senior and top management. Instead of making progress since the employment equity act was implemented, the statistics in Table 1 indicate that we are actually regressing.

2.5 ROLE OF MANAGERS IN THE RETENTION OF EMPLOYEES FROM DIFFERENT RACE GROUPS

Heterogeneous workforces pose challenges to managers or to people working together because diversity brings with it differences in the way people act, their expectations and approach (Uys, 2003). According to Uys (2003, p.35), managers need to create a balance between the individual needs of employees and the organisational needs, while at the same time managing the conflicts and uncertainty resulting from diversity.

A disconcerting trend confirmed by Thomas (2004) as well as Selby and Sutherland (2006) is that the retention rate for black recruits has fallen and many South African firms are losing black people as fast as they recruit them.
found that a lack of training, development and growth opportunities, lack of career path and succession planning and a lack off, or ineffective mentoring were singled out as specific barriers to retaining black employees. These elements are directly under the control and influence of the manager and highlight the role managers’ play in the retention of employees from different race groups.

A study by Wöcke and Sutherland (2008) found that all race groups perceived that much is expected of them in terms of performance but little is offered in terms of internal development opportunities. This implies that managers need to pay attention to not only the career development of black employees but also employees from all race groups if they want to retain their employees.

Booysen (2001 in Littrel and Nkomo, 2005) found in her study of the behaviours of managers that the culture of white managers was congruent with Western management whilst that of black managers differed greatly. She described the leadership approach of the black managers as being more Afro-centric. The study conducted by Littrel and Nkomo (2005) however found that there was no dominant leadership behaviour set preferred by employees and managers for the different genders or race groups in South Africa. This study by Littrel and Nkomo therefore offers a different view to the one of Booysen. The current research is based on the belief that there is a dominant leadership
employees and managers for the different genders or race groups and aims to confirm the research conducted by Booysen.

2.6 STATE OF EMPLOYMENT EQUITY IN SOUTH AFRICA

Legislation was enacted in South Africa in 1998 in an attempt to redress the legacy on workplace inequality. Its aim was to promote equal opportunity and fair treatment through the elimination of unfair discrimination and through the implementation of affirmative action measures to advance black people, women and people with disabilities (Thomas, 2003, p.6).

The South African population of approximately 46 million people comprises 76.6% African, 11.3% White, 8.3% Coloured and 2.4% Indian (Asian). The years following the first democratic election in 1994 have seen little change in the workplace demographics, with white males still filling majority of the management positions. According to Booysen (2007, p.48) previous South African research on employment equity (EE) progress indicates that limited progress has been made in achieving EE since legislation was engaged in 1996.
Table 2 shows that black employee representation in top management decreased by 4.1% whilst white representation actually increased by 4.3% from 2005 to 2006. There was only a marginal increase of 0.6% in black representation at senior management level from 2005 to 2006. This increase was in the Indian population group with a decline in representation in the African race group. A concerning trend is the continuous decline in black representation in the professional category since 2001 and the increase in white employee representation. The effect of EE on gender equality seems to have been positive with a continuous increase in women representation noted since 2001 in Table 2 for both the top and senior management level. The
The opportunities given to women in the workplace were researched by Mathur-Helm (2005). She found that \( ^{n} \) reaching top level positions is still uncommon for South Africa\( ^{s} \) women, as its corporate environment is not yet ready to accept women as professional equals \( ^{\text{}} \) (Mathur-Helms, 2005, p. 56). This is supported by the fact that only 35.9% of females fill professional category positions whilst females make up more than 50% of the population.

The above statistics indicates the slow rate of progress made by employers in executing the Employment Equity Act and highlights the inability of government to force organisations to comply fully with the Act.

### 2.7 RETENTION OF TALENT IN THE MANUFACTURING INDUSTRY

Reynolds and Morrison (2007, p. 14) state that manufacturing firms need to consider how effectively they are providing what their employees value most:

- Long term career development
- Sense of purpose and meaning in work
- Work-life flexibility
- Social networks that embrace open and honest communication
According to Kaudal and Chaudhuri (2007), there is a shortage of people with the required skills in the manufacturing sector in the emerging markets and most manufacturers therefore face an enormous task to attract and retain talent in these emerging markets. A Deloitte global innovation in emerging markets study focused on the talent strategies of 446 manufacturers in emerging markets. The study also showed that manufacturers face challenges to attract and retain talent (Kaudal and Chaudhuri, 2007).

2.8 RETENTION AND LABOUR TURNOVER

2.8.1 NATIONAL AND INTERNATIONAL TRENDS IN LABOUR TURNOVER AND RETENTION

Kotze and Roodt (2003) suggest that the shifts in retention and turnover experienced in South Africa are also experienced internationally. According to Hay (2002), holding onto jobs was a priority in the late 1980s and early 1990s due to employee retrenchments. The report also indicates that the trend has since changed in the early 2000s. Kotze and Roodt (2003) refer to the Hays international survey of 50 countries and 330 companies to further support this view. According to the 2002 survey, one-third of employees plan to resign from their jobs within the next two years (Kotze and Roodt, 2002, p. 48). This highlights the importance that retention of talented employees plays both locally and internationally.
The retention of talent has a direct link to a company's profitability. A research study by McKinsey in 2000, which involved 77 large companies, found that firms with the best talent management strategies are rewarded with higher shareholder returns, outperforming the mean by 22 percentage points (Aldisert, 2002, p. 91).

Anderberg and Froeschle (2006) indicate that a skills and talent shortage creates a sellers market and employers will have to compete aggressively for talented and skilled workers. They go on to say that a firm's profits and productivity will fall if they cannot recruit, reward and retain skilled workers, whilst a firm that becomes an employer of choice can hold onto their market share and remain competitive. According to Anderberg and Froeschle (2006), a company that lacks great front line managers will bleed talent irrespective of how great the pay or training is. Michaud (2002) indicates that a negative consequence of labour turnover is loss in productivity which will impact on the company's bottom line. Loss of momentum in the organisation due to labour turnover also has a negative impact on company performance (Van As, 2001).

The above views and research indicate that a company cannot afford to ignore the importance of retaining their talent and skilled workers.
Retention and staff turnover are issues of importance because they impact on an organisation in several ways (Kotze and Roodt, 2002, p.49). One is inclined to view all the consequence of labour turnover as negative and detrimental to an organisation. The literature however indicates that there are some positive consequences of labour turnover.

2.8.3.1 POSITIVE CONSEQUENCES

Tziner and Birati (1996) highlight that employee turnover has a positive effect when poor performers leave voluntarily and allows the firm to hire better performers which could lead to increased productivity. Van As (2001) indicates that one of the ways to obtain organisational renewal and change is to have some labour turnover. The turnover can make it easier to introduce new ideas and can create growth opportunities for current employees.

2.8.3.2 NEGATIVE CONSEQUENCES

Kotze and Roodt (2002) distinguish between visible turnover costs, invisible costs and hidden costs.

Visible labour costs are items such as leave capitalisation, recruitment costs, reference checks, security clearance, relocation costs, formal training costs and induction expenses. Invisible costs include increased HR and payroll administration, loss of productivity and informal training. Hidden costs include
organisational knowledge and lower morale due to overwork (Kotze and Roodt, 2002, p.49). The above distinctions drawn by Kotze and Roodt suggest that the costs associated with labour turnover, which are well known and visible to all, could only be a small part of the total cost incurred when one also considers the invisible and hidden costs.

Demotivated remaining staff members are also a result of labour turnover (Kotze and Roodt, 2002). The authors argue that losing good employees could make the remaining employees feel demotivated which could result in decreased productivity and job satisfaction. Tziner and Birati (1996) also found that the morale of remaining staff in the organisation after an employee leaves is negatively affected.

According to Barbian (2002), consistent turnover also has a negative impact on customer retention. The author makes further reference to a joint study by Roper ASW and PricewaterhouseCoopers which showed the effects of employee turnover on customer retention. The study indicated that "Some 33 percent of consumers participating in the survey pointed to employee turnover as a considerable factor in quality of service" (Barbian, 2002, p.5). This negative impact of labour turnover on customer satisfaction is also supported by Tziner and Birati (1996).
Panoch (2001, p.22) states that employees need 5 incentives to stay with their employer: a safe and secure work environment; equitable pay and benefits; a sense of belonging to an organization; growth and development in the workplace; and personal work life and harmony.

According to the findings from the Career Systems International’s ongoing Retention Driver Survey Report (Kaye and Jordan–Evans, 2003, p.42), the six key factors that keep talented employees in an organisation are: challenging and exciting work; career growth; development; a good boss; working with great people; and fair play.

An evaluation of these six factors confirms the important role that managers play in the retention of talented employees in organisations. Whilst it is understood that both individual and organisational factors affect the retention of employees, this literature review will focus on the organisational factors affecting retention.
A study by Hay (2002, p.53) showed that employees are most likely to leave when their skills or talents are not properly developed or when managers fail to take an interest in their career development. The study also found that of those people intending to stay for more than 2 years, 83% were happy with their skill usage and training of new skills while only 49% of those planning to leave were happy with this aspect. According to Kotze and Roodt (2002), skills and talent development was the most significant retention factor identified in the Hays international study and that only 22% of employees planning to leave were satisfied with advancement opportunities. These factors are under the direct influence of the manager and further highlight the significant role a manager plays in the retention of employees in an organisation. Companies can fight labour turnover by recognising that training is a core aspect for retaining employees. Hays (2002) argues that the focus should be to broaden an employees experience and not just to reinforce old skills.
Monetary rewards have also been highlighted as weak motivational rewards in a study done by Speh, Taylor, Rittberger, West, Williams, & Thelen. They found that 'money's success as an effective motivator is questionable and its impact is usually short lived. The motivational effect wears off soon after the bonus, award, or incentive is given (Panoch, 2001, p.23).

Branham (2001, p. 3) states that, ÒWhile 75 percent of senior executives say that employee retention is a major concern, only 15 percent have made it a strategic priority in their companies.Ó He found that 89 percent of managers believe that money is the key to retaining employees. This is contrary to the above views.

2.8.4.3 INFLUENCE OF THE MANAGER

Taplin and Winterton (2007, p.5) argue that managers can play a key role in creating a work environment that neutralises the otherwise problematic aspects of the job and work/family linkages. Their case study research approach focused on workers and managers in a high labour turnover clothing industry. The study found that positive actions by management result in workers forming bonds with the leader and the organisation and ultimately reduce the likelihood of employees leaving the organisation (Taplin and Winterton, 2007). ÒIn a study of 500 business professionals, conducted by
The main factor in deciding to stay or leave their job was whether they had a trusting relationship with their manager (Barbian, 2002, p. 4). The Hay's international study (Hay, 2002) found that the second largest reason for labour turnover was unhappiness with the direct manager. According to the survey, 74 percent of those planning to stay were satisfied with management compared with only 49% of those planning to leave.

A U.S. survey of 4299 workers found that the reasons why people join an organisation are different from those that cause them to stay (Taylor, 2003). The most important reason for joining a company was organisation issues, followed closely by job issues. Leader issues were a distant third. Taylor (2003) argues that this makes sense because pay and benefits and the job profile are communicated to potential employees before they start their employment. An employee however does not know much about their manager before commencing employment. The survey found that after 3 months of employment, leader issues then become the most important reason as to why employees would stay or leave the organisation (Taylor, 2003).

Another large study by the Gallup Organisation of 80 000 managers in 400 companies found that an employee’s relationship with their direct boss is more important for retention than pay and other benefits (Harvard Business School Press, 2006). According to Nienaber (2007), managers do not utilise scarce
employees do not benefit optimally from their potential. Employees’ needs in terms of status and power are therefore not fulfilled.

Managers tend to look at factors other than themselves for the reasons why employees leave organisations. Because talented employees have more attractive job choices than ever, many leaders are tempted to blame the tight labour market for their inability to retain qualified employees (Rhule, 2004, p. 75). The study by Rhule (2004) identified 4 managerial behaviours that affect the intention of high potential employees to stay with the organisation. These were utilising their talents and strengths, providing challenging job assignments, providing opportunities to contribute and make a difference and allocating appropriate salary increases based on their job performance.

Branham (2001) indicates that managers are not eager to spend their time developing their talented employees. Some of the reasons highlighted by him were, pressures to get results and to respond to day to day operational issues, companies do not provide any reward for developing people or any consequence for not developing them, and managers have never received any career development assistance themselves (Branham, 2001, p. 198).

The qualitative research conducted by Taplin and Winterton (2007) highlighted key differences in managerial behaviours between managers in high turnover
They determined that managers in low turnover companies who spent more time on the shop floor establishing effective two-way communication, were more forward looking, saw themselves as change agents, and had good interpersonal relationships (Taplin and Winterton, 2007, p.7). These findings are particularly relevant to this research, which aims to determine quantitatively the managerial behaviours that knowledge workers perceive as being most important for retention.

It is evident from the literature that managers play a much bigger role in the retention of their employees than what they realise.
This literature review has provided insight into the large body of research done on retention and labour turnover with specific focus on knowledge workers. There is a trend throughout the literature which indicates that the retention of knowledge workers is essential to the success and competitiveness of the organisation. The literature also reviewed the benefits of diversity management and the role it plays in the retention of employees in organisations. The state of employment equity in South Africa was accessed with the finding that the progress made with regards to EE has been slow and disappointing since 2000. Whilst the literature highlights some of the work previously done on the influence of the manager on the retention of knowledge workers, there exists a gap in the literature in the understanding of the retention of knowledge workers from different race groups within the manufacturing industry.

The overall hypothesis based on the literature review is that there is a positive relationship between the behaviour of a manager towards a knowledge worker and their intention to stay with the organisation and that managerial behaviours affect retention differently for the different race groups.
3.1 INTRODUCTION

Chapter 2 has provided an extensive body of research on the knowledge worker, diversity management, state of employment equity in South Africa, retention and labour turnover. The literature review highlighted the financial and non-financial costs that organisations face when they cannot retain their employees. Finally, prior research on the link between positive managerial behaviour and retention was cited.

The aim of the intended research is to determine whether a manager’s plays an influential role in the retention of knowledge workers in the manufacturing behaviour sector. The research will aim to determine the most important managerial behaviour that knowledge workers perceive as being important for retention and whether perceived managerial competency affect retention differently for the various race groups.

3.2 RESEARCH QUESTION 1

What impact does the knowledge worker’s perception of his or her immediate manager’s behaviour have on the knowledge workers intention to stay with the organisation?
3.3 RESEARCH QUESTION 2
How does the knowledge worker's perception of the manager's behaviours on items they perceive as important relate to their intention to stay with the organisation?

3.4 RESEARCH QUESTION 3
What managerial behaviours do knowledge workers value as being important to them for retention? Which of these do they perceive their manager to be doing well on?

3.5 RESEARCH QUESTION 4
Does perceived relevant managerial competency affect retention differently for the various race groups?

Chapter 4 will outline the research methodology used to answer these research questions.
4.1 INTRODUCTION

As discussed in chapter 2, very little research has been done to understand the influence of managers on the retention of knowledge workers in the manufacturing industry. This therefore justifies the need for this research. The methodology used to collect and analyse the data is described in this chapter. This includes a description of the research design, population of relevance, sampling method used, survey instrument used, tools and techniques used for data analysis and the limitations of the study conducted. This research study aims to replicate the study method used by Rhule (2004).

4.2 RESEARCH METHOD

Zikmund (2003) describes quantitative research as a method to determine the extent of a phenomenon in the form of numbers in order to explain the causes of objectively observable and measurable behaviour. Since this research is aimed at testing the impact of a certain factor, namely the role of managers, on the retention of knowledge workers and to then rank known factors, a quantitative approach was found to be most appropriate as chosen by Rhule (2004) in her study.

Descriptive research using the survey method was used to gather primary data from a sample of individuals. Zikmund (2003, p.175) defines a survey as ñ...
information is gathered from a sample of people by use of a questionnaire or interview; a method of data collection based on communication with a representative sample of individuals. An intranet survey was used which is defined by Zikmund (2003, p.221) as a self-administered questionnaire posted on a web site. The study by Rhule used an internet survey approach where the survey was put onto a website and made available to all chosen participants. This study made use of the Sappi intranet site and the link together with the introductory letter was e-mailed to all participants. This method is identified by Zikmund (2003, p.221) as being appropriate for reaching a large number of people and to secure confidential answers quickly and cost effectively. The anonymity of the internet survey should encourage individuals to provide honest answers especially regarding the issues relating to their manager. A reminder was sent to all participants after a pre-determined time, urging those that have not responded to still do so, as suggested by Zikmund (2003) and also adopted by Rhule (2004) in her study.

4.3 POPULATION OF RELEVANCE

Zikmund (2003, p. 373) defines a target population as the complete group of specific population elements relevant to the research project. Sappi is a global pulp and paper company with manufacturing sites in South Africa, Swaziland, USA, Europe and China. It was decided to limit the research to focus only on
The target population of relevance was therefore identified as all permanent knowledge workers employed in Sappi South Africa who fulfill the following criteria:

- Has a post matric qualification from a university or technikon (Degree, Diploma).
- Is engaged in collection, interpretation and distribution of knowledge.
- Is involved in complex work that is process orientated.

### 4.4 SAMPLING METHOD

Non probability sampling by adopting a "judgement sampling technique" (Zikmund, 2003, p.382) was used in the research study. This method required certain identified experts in the Human Resource departments within Sappi to select the sample based on the criteria provided above. Rhule also used this method to identify the subjects for her study. This method allowed a large enough sample size for the study. The author acknowledges that the use of judgement sampling makes it "inappropriate to project data beyond the sample" (Zikmund, 2003, p. 392). A total of 658 individuals were identified and asked to participate in the survey. The total number of responses received was 126 which equates to a response rate of 19%.
The survey questionnaire used is primarily the one that was developed by Rhule (2004) and used in her research to study the effects of the manager’s behaviour on the retention of high potential employees from different generations. The survey was found to be appropriate as it specifically focuses on the behaviour of managers towards their employees and on high potential employees. Rhule (2004) designed the final questionnaire around 5 themes of managerial behaviour namely: 1) provides developmental opportunities, 2) recognition and reward, 3) sets goals and objectives, 4) trust and respect, and 5) communication.

A 5 point likert scale was used to evaluate the importance of the managerial behaviours. Chronbach’s alpha coefficients for the different themes were calculated to ensure that the items were measuring a common theme (Rhule, 2004). The survey developed was first distributed to a panel of experts for review and then to a group of pilot study individuals prior to the final survey instrument being issued to participants. The panel consisted of three Human Resource professionals who have been in the human resources field for over 15 years (Rhule, 2004, p113). The author did however make some changes to this survey instrument prior to it being used in this research study. Information such as level of education was modified whilst the question relating to gender
levant for this study. A question to capture the population group of the respondent was however added.

The first part of the survey, section A, was designed to collect background information about the knowledge worker. Questions included age, length of service in the organisation, length of time working for the current manager, tertiary qualification and race group. Section B contains 36 questions relating to managerial behaviours. The individual is first asked to rate the importance of that behaviour to them staying with the organisation and then to rate how well their manager is performing on that managerial behaviour. Section C asks the individual to rate their overall working relationship with their manager and the knowledge workers intention to stay with the organisation. Section D contains open ended questions which ask the individual what their manager can do to retain them. The revised survey is included in appendix A.
The objective of the analysis is to relate the importance of the managerial behaviour of the respondents to how well they perceive their manager to be performing in each of these areas, and then to assess the effect of these two variables on retention.

4.6.1 RESEARCH QUESTION 1

What impact does the knowledge worker’s perception of his or her immediate manager’s behaviour have on the knowledge workers intention to stay with the organisation?

This research question related perceived managerial competence in various areas to retention, without considering the perceived importance of these managerial areas.

As in Rhule’s 2004 study, each item was correlated with the outcome variable of intention to leave, i.e. retention. However, in the present study, the chi square test was used to examine the significance of each relation as the scale of the intention to leave item was ordinal. In the Rhule study, the Pearson correlation was used as the scale of the retention variable was considered equal interval.
How does the knowledge worker’s perception of the manager’s behaviours on items they perceive as important relate to their intention to stay with the organisation?

An approach that takes into account both measures of importance and perception of manager simultaneously was adopted by the researcher. Each of the 36 items measuring extent considered important by the respondent to them staying in the organisation were classified as either “important” if it was rated as a 4 or 5 or “not important” if it was rated as a 1, 2 or 3.

Thereafter, how well the manager was perceived to be doing in each of these 36 items was classified as “good” if the manager was rated as a 4 or 5 or “not good” if the manager received a score of 1, 2 or 3.

Applying the bivariate conditions, this re-classification gave rise to the following 4 categories:

i. "important, good"

ii. "not important, not good"

iii. "important, not good"

iv. "not important, good"
Thus, for example, if a respondent rated a particular item as 4 on importance and 2 on Manager, it was recoded as "not important, not good".

After re-classification, the percentage of items that each respondent perceived as important to them staying in the organisation and on which they perceive their manager to be performing well were calculated. This was calculated for each respondent by identifying the number of "important, good" responses and dividing it by the sum of the "important, good" and "important, not good" and then representing the result as a percentage.

Thus every respondent received a single score expressed as a percentage of important areas that the manager was competent on. This figure was framed the "index of relevant competencies" because the importance of each item to the respondent was considered, and competencies because the respondent's perceived competence of the manager was rated.

The next step was to see whether respondents with different intentions to stay in the company differed significantly on this derived index of relevant competencies, and whether the index of relevant competencies is a good predictor of an individual's intention to stay with the organisation. An analysis of variances (ANOVA), and corresponding graphs were used to determine if there was a statistically significant difference between the groups at the 0.05 significance level. The ANOVA method is an appropriate statistical tool when
4.6.3 RESEARCH QUESTION 3

What managerial behaviours do knowledge workers value as being important to them for retention? Which of these do they perceive their manager to be doing well on?

To determine what managerial behaviours are considered important by knowledge workers for retention, mean ratings were calculated on the 36 Importance to staying items and the 36 My Manager items. Rankings for each of these were also calculated for both the Importance to Staying and My Manager items. Mean differences were calculated by subtracting the mean ratings of the Importance to staying items from the mean ratings of the My Manager items. The mean scores for the Importance to staying items were ranked highest (most important) to lowest (least important) and placed in order from highest to lowest. The top 6 items ranked 1 to 6 were identified as the managerial behaviours considered by the knowledge worker to be the most important for retention.
that were considered to be important for retention were being done well by the manager, behaviours that were ranked in the top six for both importance to staying and being done well by the manager were identified.

4.6.4 RESEARCH QUESTION 4

Does perceived relevant managerial competency affect retention differently for the various race groups? In other words, does the effect on retention of respondents’ perceived managerial competence in important areas differ between race groups?

In view of the small sample sizes of 17 and 6 for Asians and Coloureds respectively, African, Asian and Coloured respondents were grouped together as Black.

The 1-way ANOVA method was used to determine whether there was a statistically significant difference in the means for the 36 items across the different race groups with reference to their intention to stay with the organisation. Once again, the post hoc Scheffe was used to identify significance in the underlying pairwise comparisons of means in the case of significant overall F ratios.
4.7 RESEARCH LIMITATIONS

There are many factors that affect the retention of knowledge workers in an organisation. This study will only focus on the perceived behaviours of managers that relate to the retention of knowledge workers in the organisations. Only the manufacturing industry is included in this survey and the results and conclusions cannot be generalised for all sectors of the economy. The research being conducted will take the form of a cross sectional study due to time constraints. Causality can therefore not be determined which may have been achieved in a longitudinal study.
5.1 POPULATION DEMOGRAPHICS OF SAMPLE

A total of 126 individuals participated in the survey. The demographics of the population are reflected below.

**Figure 1: Gender of Population**

The majority of the participants (71%) were male with the remaining 29% female.
The majority of respondents (28%) were employed in the company for a period of between 6 to 10 years with a total of 48% employed for longer than 6 years. This could also reflect the desire by those with long service and experience to speak out and seek change.

Figure 3: Age of Population
Majority of the respondents were White (48%) followed by 34% African.

**Figure 5: Length of Service with Current Manager**

Length of service with current manager
Research question 1 was:

What impact does the knowledge worker’s perception of his or her immediate manager’s behaviour have on the knowledge workers intention to stay with the organisation?

The chi-square test on each item was used to see if there is a relation between perception of immediate manager’s behavior and intention to stay. The results in Table 3 indicate that this relation was significant throughout, with 31 out of the 36 items highly significant (p<0.001).

Table 3: Chi square test results of relation between perception of immediate manager’s behavior and intention to stay

<table>
<thead>
<tr>
<th>Item</th>
<th>Chi-square</th>
<th>df</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Supports me in attending training to develop new skills</td>
<td>34.5629</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>2: Provides me with opportunities to develop and apply the skills I need to enhance my career</td>
<td>49.6125</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>3: Helps me to create a clearly defined career path</td>
<td>42.4096</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>4: Provides on-the-job-coaching to help improve my performance</td>
<td>32.4286</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>5: Keeps me informed about the issues affecting my work</td>
<td>31.1736</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>6: Really listens to me</td>
<td>40.2423</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>7: Can be disagreed with on work-related issues without fear of reprisal</td>
<td>16.7673</td>
<td>6</td>
<td>*</td>
</tr>
<tr>
<td>8: Provides challenging job assignments for me.</td>
<td>26.733</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>9: Utilises my strengths and talent</td>
<td>33.8528</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>10: Provide opportunities for me to contribute and make a difference</td>
<td>40.578</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>11: Encourages me to be innovative and to take initiative in my work</td>
<td>27.5607</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>12: Gives me the freedom to work in my own creative way</td>
<td>37.8913</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>13: Gives me the authority and freedom to perform my job</td>
<td>46.6581</td>
<td>6</td>
<td>***</td>
</tr>
<tr>
<td>14: Includes me in decisions and actions that have an impact on my work</td>
<td>39.8043</td>
<td>6</td>
<td>***</td>
</tr>
</tbody>
</table>
Moreover, as shown in Table 4, the percentage of respondents who agree/strongly agree that their manager is competent in each area is highest in those respondents who say they plan to stay with their managers, compared to respondents in the other retention categories.

<table>
<thead>
<tr>
<th>Item</th>
<th>Percentage</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>16: Removes barriers that get in the way of high performance</td>
<td>31.8947</td>
<td>***</td>
</tr>
<tr>
<td>17: Ensures that I have the materials and equipment I need to do my job</td>
<td>30.5063</td>
<td>***</td>
</tr>
<tr>
<td>18: Sets clear cut goals for me</td>
<td>16.4658</td>
<td>*</td>
</tr>
<tr>
<td>19: Discusses the results I am expected to achieve</td>
<td>20.8591</td>
<td>**</td>
</tr>
<tr>
<td>20: Assesses my work against identified goals and objectives</td>
<td>23.7669</td>
<td>***</td>
</tr>
<tr>
<td>21: Promotes my participation in high visibility activities</td>
<td>47.1104</td>
<td>9 ***</td>
</tr>
<tr>
<td>22: Represents my interests and concerns to higher agement.</td>
<td>32.0683</td>
<td>***</td>
</tr>
<tr>
<td>23: Creates a comfortable and caring work environment.</td>
<td>30.5938</td>
<td>***</td>
</tr>
<tr>
<td>24: Develops ways to make work and the workplace more enjoyable and fulfilling</td>
<td>25.0928</td>
<td>***</td>
</tr>
<tr>
<td>25: Allows me to balance work priorities with my personal life so that neither is neglected</td>
<td>21.0691</td>
<td>**</td>
</tr>
<tr>
<td>26: Provide useful feedback on my job performance</td>
<td>21.8506</td>
<td>**</td>
</tr>
<tr>
<td>27: Recognise or rewards me for the value that I add</td>
<td>46.7164</td>
<td>***</td>
</tr>
<tr>
<td>28: Uses innovative and personalized ways to reward and recognize me</td>
<td>44.1576</td>
<td>***</td>
</tr>
<tr>
<td>29: Allocates appropriate salary increases based on my job performance</td>
<td>35.8126</td>
<td>***</td>
</tr>
<tr>
<td>30: Encourages opportunities to work in teams</td>
<td>25.1847</td>
<td>***</td>
</tr>
<tr>
<td>31: Understands and appreciates different styles and backgrounds</td>
<td>29.2232</td>
<td>***</td>
</tr>
<tr>
<td>32: Can be counted on to keep his or her promises</td>
<td>37.2575</td>
<td>***</td>
</tr>
<tr>
<td>33: Respects me as a professional</td>
<td>36.8114</td>
<td>***</td>
</tr>
<tr>
<td>34: Creates an open, trusting and respectful relationship with me</td>
<td>31.7607</td>
<td>***</td>
</tr>
<tr>
<td>35: Hires employees with the skills needed to help the team succeed.</td>
<td>25.5082</td>
<td>***</td>
</tr>
<tr>
<td>36: Removes poor performers</td>
<td>40.5609</td>
<td>***</td>
</tr>
</tbody>
</table>
Table 4: Percentage of respondents in each category of retention who agree or strongly agree that their manager is competent in each area

<table>
<thead>
<tr>
<th>Item</th>
<th>Plan to:</th>
<th>leave the organisation in the next few years</th>
<th>leave the organisation within a year</th>
<th>transfer to another manager in the organisation</th>
<th>stay with my manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Supports me in attending training to develop new skills</td>
<td></td>
<td>10.7%</td>
<td>13.9%</td>
<td>23.5%</td>
<td>60.0%</td>
</tr>
<tr>
<td>2 Provides me with opportunities to develop and apply the skills I need to enhance my career</td>
<td></td>
<td>10.7%</td>
<td>19.4%</td>
<td>47.1%</td>
<td>77.8%</td>
</tr>
<tr>
<td>3 Helps me to create a clearly defined career path</td>
<td></td>
<td>7.1%</td>
<td>16.7%</td>
<td>35.3%</td>
<td>42.2%</td>
</tr>
<tr>
<td>4 Provides on-the-job-coaching to help improve my performance</td>
<td></td>
<td>25.0%</td>
<td>2.8%</td>
<td>35.3%</td>
<td>55.6%</td>
</tr>
<tr>
<td>5 Keeps me informed about the issues affecting my work</td>
<td></td>
<td>39.3%</td>
<td>11.1%</td>
<td>52.9%</td>
<td>62.2%</td>
</tr>
<tr>
<td>6 Really listens to me</td>
<td></td>
<td>21.4%</td>
<td>19.4%</td>
<td>58.8%</td>
<td>77.8%</td>
</tr>
<tr>
<td>7 Can be disagreed with on work-related issues without fear of reprisal</td>
<td></td>
<td>32.1%</td>
<td>44.4%</td>
<td>52.9%</td>
<td>71.1%</td>
</tr>
<tr>
<td>8 Provides challenging job assignments for me.</td>
<td></td>
<td>28.6%</td>
<td>33.3%</td>
<td>35.3%</td>
<td>75.6%</td>
</tr>
<tr>
<td>9 Utilises my strengths and talent</td>
<td></td>
<td>25.0%</td>
<td>13.9%</td>
<td>35.3%</td>
<td>68.9%</td>
</tr>
<tr>
<td>10 Provide opportunities for me to contribute and make a difference</td>
<td></td>
<td>25.0%</td>
<td>16.7%</td>
<td>29.4%</td>
<td>71.1%</td>
</tr>
<tr>
<td>11 Encourages me to be innovative and to take initiative in my work</td>
<td></td>
<td>28.6%</td>
<td>27.8%</td>
<td>58.8%</td>
<td>75.6%</td>
</tr>
<tr>
<td>12 Gives me the freedom to work in my own creative way</td>
<td></td>
<td>21.4%</td>
<td>36.1%</td>
<td>70.6%</td>
<td>82.2%</td>
</tr>
<tr>
<td>13 Gives me the authority and freedom to perform my job</td>
<td></td>
<td>25.0%</td>
<td>25.0%</td>
<td>58.8%</td>
<td>82.2%</td>
</tr>
<tr>
<td>14 Includes me in decisions and actions that have an impact on my work</td>
<td></td>
<td>7.1%</td>
<td>25.0%</td>
<td>58.8%</td>
<td>71.1%</td>
</tr>
<tr>
<td>15 Takes my suggestions seriously to improve things</td>
<td></td>
<td>21.4%</td>
<td>19.4%</td>
<td>58.8%</td>
<td>73.3%</td>
</tr>
<tr>
<td>16 Removes barriers that get in the way of high performance</td>
<td></td>
<td>14.3%</td>
<td>13.9%</td>
<td>29.4%</td>
<td>55.6%</td>
</tr>
<tr>
<td>17 Ensures that I have the materials and equipment I need to do my job</td>
<td></td>
<td>14.3%</td>
<td>27.8%</td>
<td>41.2%</td>
<td>64.4%</td>
</tr>
<tr>
<td>18 Sets clear cut goals for me</td>
<td></td>
<td>32.1%</td>
<td>30.6%</td>
<td>35.3%</td>
<td>62.2%</td>
</tr>
<tr>
<td>19 Discusses the results I am expected to achieve</td>
<td></td>
<td>32.1%</td>
<td>11.1%</td>
<td>41.2%</td>
<td>48.9%</td>
</tr>
<tr>
<td>20 Assesses my work against identified goals and objectives</td>
<td></td>
<td>32.1%</td>
<td>25.0%</td>
<td>29.4%</td>
<td>60.0%</td>
</tr>
<tr>
<td>21 Promotes my participation in high visibility activities</td>
<td></td>
<td>3.6%</td>
<td>22.2%</td>
<td>47.1%</td>
<td>57.8%</td>
</tr>
<tr>
<td>22 Represents my interests and concerns to higher management</td>
<td></td>
<td>25.0%</td>
<td>8.3%</td>
<td>41.2%</td>
<td>62.2%</td>
</tr>
<tr>
<td>23 Creates a comfortable and caring work environment</td>
<td></td>
<td>25.0%</td>
<td>8.3%</td>
<td>41.2%</td>
<td>62.2%</td>
</tr>
</tbody>
</table>
IN CONCLUSION

The Chi squared test indicates that there is a strong relationship between the knowledge workers perception of the manager’s behaviour and intention to stay.

5.3 RESEARCH QUESTION 2

How does the knowledge worker’s perception of the manager’s behaviours on items they perceive as important, relate to their intention to stay with the organisation?

In Table 5, the mean of the relevant competency scores of each retention group are presented. In other words, for each respondent, the percentage of important items where the manager is performing well is calculated and then
averaged across the respondents within each retention group. The standard deviations are also presented.

**Table 5: Mean and standard deviation of relevant competency scores of each retention group**

<table>
<thead>
<tr>
<th>38: Intention to stay</th>
<th>% of important areas in which managers are competent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Means</td>
</tr>
<tr>
<td>I plan to leave the organisation in the next few years</td>
<td>20.9%</td>
</tr>
<tr>
<td>I plan to leave the organisation within a year</td>
<td>29.1%</td>
</tr>
<tr>
<td>I plan to stay with my manager and the organisation</td>
<td>72.1%</td>
</tr>
<tr>
<td>I would like to transfer to work for another manager in the organisation</td>
<td>47.4%</td>
</tr>
<tr>
<td><strong>All Groups</strong></td>
<td><strong>44.7%</strong></td>
</tr>
</tbody>
</table>

The above results in Table 5 indicate that in the case of respondents who indicated that they plan to stay with the organisation and their manager, their manager is competent on 72% of the items they consider as important to them staying.

Conversely, respondents who plan to leave the organisation in the next few years perceive their manager as competent on 29% of the items they consider as important to them staying.
Table 6: Analysis of Variance (ANOVA) for the items considered important by the respondent and for which the manager is performing well.

<table>
<thead>
<tr>
<th>Effect</th>
<th>SS</th>
<th>df</th>
<th>MS</th>
<th>SS</th>
<th>df</th>
<th>MS</th>
<th>F</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevant managerial</td>
<td>6.0791</td>
<td>3</td>
<td>2.02637</td>
<td>6.65154</td>
<td>121</td>
<td>0.054971</td>
<td>36.86226</td>
<td>0.000000</td>
</tr>
</tbody>
</table>

The results of the ANOVA shown in Table 6 indicate that there is a highly significant difference between the means of the four retention groups on the percentage of important items they perceive their managers to be competent on (p<0.001).

Table 7: Scheffe Test for % good/important and intention to stay

<table>
<thead>
<tr>
<th></th>
<th>(1) M=20.9%</th>
<th>(2) M=29.1%</th>
<th>(3) M=72.1%</th>
<th>(4) M=47.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>I plan to leave the organisation in the next few years {1}</td>
<td>0.597165</td>
<td>0.000000</td>
<td>0.002912</td>
<td></td>
</tr>
<tr>
<td>I plan to leave the organisation within a year {2}</td>
<td>0.597165</td>
<td>0.000000</td>
<td>0.100994</td>
<td></td>
</tr>
<tr>
<td>I plan to stay with my manager and the organisation {3}</td>
<td>0.000000</td>
<td>0.000000</td>
<td>0.004690</td>
<td></td>
</tr>
<tr>
<td>I would like to transfer to work for another manager in the organisation {4}</td>
<td>0.002912</td>
<td>0.100994</td>
<td>0.004690</td>
<td></td>
</tr>
</tbody>
</table>
The Post Hoc Scheffe test is used to see which means or groups are significantly different from each other once a significant overall difference has been established using the ANOVA. The p values for each pairwise post hoc comparison are presented in Table 7 and provide evidence of highly significant differences in mean relevant managerial competence between the respondents in the group who wish to stay with their manager versus respondents in the other three retention groups i.e. those who intend to transfer to another manager or leave in the next year or in the next few years, Figure 6 reveals the distribution of these scores for the four retention stay groups.
Figure 6: Histogram of relevant managerial competency scores categorised by intention to stay

Focusing on the graph which highlights the responses to "I plan to stay with my manager and the organisation" in Figure 6, reveals that a high percentage of respondents who believed that if a managerial item was important to them for retention and their manager was performing well in this area, they will stay with the manager and organisation. This is evident by the histogram being largely...
IN CONCLUSION

Knowledge workers who indicated that they planned to stay with the organisation and manager perceived their managers to be competent on 72% of the items that they consider as important to them for retention. An analysis of variance (ANOVA) indicates that there is a highly significant difference between the means for the four retention groups on the percentage of important items they perceive their managers to be competent on. The Post Hoc Scheffe test also confirmed that there is a highly significant difference in mean relevant managerial competencies between the respondents in the group who wish to stay with the organisation and manager and each of the other three groups.

5.4 RESEARCH QUESTION 3

What managerial behaviours do knowledge workers value as being important to them for retention? Which of these do they perceive their manager to be doing well on?

Mean ratings were calculated on the 36 Importance to staying items and the 36 My Manager items. This was done to determine if the knowledge workers...
behaviour had any bearing on their decision to stay with the organisation. Rankings for each of the items were also determined for both groups.

Mean differences were also calculated by subtracting the mean rating of the importance to staying items from the mean rating of the My Manager items.

The numerical ranking system ranged from 1 (most important) to 36 (least important). Table 8 reflects the mean ratings, rankings and mean differences of the 1-36 Importance to Staying items and the 1-36 My Manager items.

**Table 8: Ranking of 1-36 Importance to staying items with 1-36 My Manager items on mean ratings**

<table>
<thead>
<tr>
<th>CATEGORIES</th>
<th>IMPORTANCE to ME STAYING</th>
<th>Ranking</th>
<th>MY MANAGER</th>
<th>Ranking</th>
<th>MEAN DIFFERENCE</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 Gives me the authority and freedom to perform my job</td>
<td>4.47</td>
<td>1</td>
<td>3.46</td>
<td>5</td>
<td>1.01</td>
<td>14</td>
</tr>
<tr>
<td>33 Respects me as a professional</td>
<td>4.45</td>
<td>2</td>
<td>3.62</td>
<td>1</td>
<td>0.83</td>
<td>21</td>
</tr>
<tr>
<td>10 Provide opportunities for me to contribute and make a difference</td>
<td>4.44</td>
<td>3</td>
<td>3.17</td>
<td>20</td>
<td>1.27</td>
<td>3</td>
</tr>
<tr>
<td>9 Utilises my strengths and talent</td>
<td>4.44</td>
<td>3</td>
<td>3.16</td>
<td>22</td>
<td>1.28</td>
<td>2</td>
</tr>
<tr>
<td>14 Includes me in decisions and actions that have an impact on my work</td>
<td>4.40</td>
<td>5</td>
<td>3.20</td>
<td>15</td>
<td>1.21</td>
<td>6</td>
</tr>
<tr>
<td>34 Creates an open, trusting and respectful relationship with me</td>
<td>4.38</td>
<td>6</td>
<td>3.57</td>
<td>2</td>
<td>0.81</td>
<td>22</td>
</tr>
<tr>
<td>32 Can be counted on to keep his or her promises</td>
<td>4.37</td>
<td>7</td>
<td>3.48</td>
<td>4</td>
<td>0.90</td>
<td>19</td>
</tr>
<tr>
<td>12 Gives me the freedom to work in my own creative way</td>
<td>4.36</td>
<td>8</td>
<td>3.52</td>
<td>3</td>
<td>0.84</td>
<td>20</td>
</tr>
<tr>
<td>11 Encourages me to be innovative and to take initiative in my</td>
<td>4.33</td>
<td>9</td>
<td>3.32</td>
<td>9</td>
<td>1.01</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Rating</td>
<td>Rank</td>
<td>2nd Rank</td>
<td>3rd Rank</td>
<td>4th Rank</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------------------</td>
<td>--------</td>
<td>------</td>
<td>----------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>35</td>
<td>Hires employees with the skills needed to help the team succeed.</td>
<td>4.32</td>
<td>10</td>
<td>3.18</td>
<td>18</td>
<td>1.13</td>
</tr>
<tr>
<td>29</td>
<td>Allocates appropriate salary increases based on my job performance</td>
<td>4.32</td>
<td>10</td>
<td>2.98</td>
<td>29</td>
<td>1.34</td>
</tr>
<tr>
<td>5</td>
<td>Keeps me informed about the issues affecting my work</td>
<td>4.31</td>
<td>12</td>
<td>3.19</td>
<td>17</td>
<td>1.12</td>
</tr>
<tr>
<td>15</td>
<td>Takes my suggestions seriously to improve things</td>
<td>4.29</td>
<td>13</td>
<td>3.28</td>
<td>12</td>
<td>1.02</td>
</tr>
<tr>
<td>6</td>
<td>Really listens to me</td>
<td>4.29</td>
<td>13</td>
<td>3.16</td>
<td>22</td>
<td>1.13</td>
</tr>
<tr>
<td>2</td>
<td>Provides me with opportunities to develop and apply the skills I need to enhance my career</td>
<td>4.21</td>
<td>15</td>
<td>3.13</td>
<td>24</td>
<td>1.08</td>
</tr>
<tr>
<td>8</td>
<td>Provides challenging job assignments for me.</td>
<td>4.20</td>
<td>16</td>
<td>3.36</td>
<td>7</td>
<td>0.84</td>
</tr>
<tr>
<td>22</td>
<td>Represents my interests and concerns to higher management.</td>
<td>4.20</td>
<td>16</td>
<td>3.08</td>
<td>26</td>
<td>1.12</td>
</tr>
<tr>
<td>27</td>
<td>Recognises or rewards me for the value that I add</td>
<td>4.18</td>
<td>18</td>
<td>2.94</td>
<td>32</td>
<td>1.24</td>
</tr>
<tr>
<td>16</td>
<td>Removes barriers that get in the way of high performance</td>
<td>4.17</td>
<td>19</td>
<td>2.98</td>
<td>29</td>
<td>1.18</td>
</tr>
<tr>
<td>7</td>
<td>Can be disagreed with on work-related issues without fear of reprisal</td>
<td>4.16</td>
<td>20</td>
<td>3.37</td>
<td>6</td>
<td>0.79</td>
</tr>
<tr>
<td>25</td>
<td>Allows me to balance work priorities with my personal life so that neither is neglected</td>
<td>4.13</td>
<td>21</td>
<td>3.32</td>
<td>9</td>
<td>0.81</td>
</tr>
<tr>
<td>19</td>
<td>Discusses the results I am expected to achieve</td>
<td>4.12</td>
<td>22</td>
<td>3.06</td>
<td>27</td>
<td>1.06</td>
</tr>
<tr>
<td>17</td>
<td>Ensures that I have the materials and equipment I need to do my job</td>
<td>4.11</td>
<td>23</td>
<td>3.20</td>
<td>15</td>
<td>0.91</td>
</tr>
<tr>
<td>26</td>
<td>Provide useful feedback on my job performance</td>
<td>4.10</td>
<td>24</td>
<td>3.13</td>
<td>24</td>
<td>0.97</td>
</tr>
<tr>
<td>3</td>
<td>Helps me to create a clearly defined career path</td>
<td>4.04</td>
<td>25</td>
<td>2.78</td>
<td>34</td>
<td>1.26</td>
</tr>
<tr>
<td>20</td>
<td>Assesses my work against identified goals and objectives</td>
<td>4.03</td>
<td>26</td>
<td>3.21</td>
<td>14</td>
<td>0.83</td>
</tr>
<tr>
<td>18</td>
<td>Sets clear cut goals for me</td>
<td>3.98</td>
<td>27</td>
<td>3.18</td>
<td>18</td>
<td>0.80</td>
</tr>
<tr>
<td>23</td>
<td>Creates a comfortable and caring work environment.</td>
<td>3.98</td>
<td>27</td>
<td>3.17</td>
<td>20</td>
<td>0.81</td>
</tr>
<tr>
<td>1</td>
<td>Supports me in attending</td>
<td>3.93</td>
<td>29</td>
<td>2.98</td>
<td>29</td>
<td>0.94</td>
</tr>
</tbody>
</table>
The items that were ranked the highest by the respondents in terms of being important to them for staying with the organisation were:

1. Gives me the authority and freedom to do my job,
2. Respects me as a professional
3. Provides opportunities for me to contribute and make a difference
4. Utilises my strengths and talents
5. Includes me in decisions and actions that affect my work
6. Creates an open, trusting and respectful relationship with me

The lowest ranked items by the respondents in terms of being important to them for staying with the organisation were:

36. Uses innovative and personalised ways to reward and recognise me
(34) Provides on the job coaching to help me improve my performance

(33) Encourages opportunities to work in teams

(31) Removes poor performers

(31) Understands and appreciates different styles and backgrounds.

The mean differences that ranked the highest, indicating a large difference between what was important to the respondent for staying with the organisation and how well the manager was performing in this area, were:

1. Allocates appropriate salary increases based on my job performance
2. Utilises my strengths and talent
3. Provide opportunities for me to contribute and make a difference
4. Helps me to create a clearly defined career path
5. Recognise or rewards me for the value that I add
6. Includes me in decisions and actions that have an impact on my work.

Behaviours that ranked in the top six for both importance to the knowledge worker for retention and where the manager was doing well were:

1. Gives me the authority and freedom to do my job
2. Respects me as a professional
3. Creates an open, trusting and respectful relationship with me.
The managerial behaviours that were ranked the highest by the respondents in terms of being important to them for staying with the organisation were: gives me the authority and freedom to do my job, respects me as a professional, provide opportunities for me to contribute and make a difference, utilises my strengths and talents, includes me in decisions and actions that affect my work and creates an open, trusting and respectful relationship with me.

The managerial behaviours that knowledge workers value as being most important to them for retention and which they perceive their manager to be doing well on are: gives me the authority and freedom to do my job, respects me as a professional, creates an open, trusting and respectful relationship with me.

5.5 RESEARCH QUESTION 4

Research question 4 of the study was: Does perceived relevant managerial competency affect retention differently for the various race groups?

In other words, does the effect on retention of respondents’ perceived managerial competence in important areas differ between race groups?

A 2-way ANOVA was used to answer this research question. The grouping variables were race and intention to stay.
Table 9: ANOVA for the different race groups for the effect of perceived relevant managerial competence on retention

<table>
<thead>
<tr>
<th></th>
<th>df</th>
<th>SS</th>
<th>MS</th>
<th>F</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Race</td>
<td>1</td>
<td>0.00016</td>
<td>0.00016</td>
<td>0.0029</td>
<td>0.957296</td>
</tr>
<tr>
<td>Retention</td>
<td>3</td>
<td>6.02460</td>
<td>2.00820</td>
<td>35.7968</td>
<td>0.000000</td>
</tr>
<tr>
<td>Race* Retention group</td>
<td>3</td>
<td>0.07487</td>
<td>0.02496</td>
<td>0.4449</td>
<td>0.721391</td>
</tr>
<tr>
<td>Error</td>
<td>117</td>
<td>6.56370</td>
<td>0.05610</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>124</td>
<td>12.73065</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The results of the ANOVA shown in Table 9 indicate that there is no significant difference between black and white respondents in how competent they perceived their managers were on important areas (p>0.05). Moreover, the effect of perceived managerial competency did not effect retention differently for black versus white respondents (p>0.05). As previously, the difference between the three retention groups on perceived relevant managerial competence is highly significant (p<0.001).

**IN CONCLUSION**

There is no significant difference between black and white respondents in how competent they perceive their managers to be on managerial behaviours they consider important for retention. Moreover, the effect of perceived managerial competency did not affect retention differently for black versus white knowledge workers.
6.1 INTRODUCTION

This chapter interprets the results obtained in chapter 5 from the statistical analysis and survey data sheets. The results were also compared to the findings from the study conducted by Rhule (2004) which specifically focused on the behaviour of managers towards their employees and on high potential employees. The interpretation of the results have also been compared to the literature and have been presented under the headings of the 4 research questions so that the research questions could be answered. Additional findings from the study have also been presented and discussed which did not form part of the planned study but could be seen as significant to either enrich this study or for further research opportunities in this field of study. This was done by means of gathering qualitative data using an open ended question. Finally recommendations have been proposed that could help managers improve the retention of knowledge workers in the manufacturing sector.

6.2 POPULATION DEMOGRAPHICS OF SAMPLE

A total of 126 knowledge workers made up the research sample. Evaluating the demographics of the study population reflected in the results section 5.1, the profile of the typical knowledge worker in the organisation is more likely to be a white male, age between 24 and 39 years, with between 3 and 10 years
6.3 RESEARCH QUESTION 1

Research question 1 was:
What impact does the knowledge worker’s perception of his or her immediate manager’s behaviour have on the knowledge workers intention to stay with the organisation?

The literature review highlighted that employees leave an organisation because of their relationship with their manager (Taylor, 2003; Taplin and Winterton, 2007). This research study wanted to establish whether this is true for knowledge workers employed in the manufacturing sector.

The Chi squared test results in table 3 indicate that there is a strong relationship between the knowledge workers perception of the manager’s behaviour and intention to stay.

The results from this research study also support the findings in the study conducted by Rhule (2004) who found that managerial behaviours have a significant impact on the high potential individual’s intention to stay with the organisation and the manager.
The study supports the conclusions drawn from the literature review. The study by Taplin and Winterton (2007) found that positive actions by management result in workers forming bonds with the leader and the organisation. This reduces the likelihood of employees leaving the organisation. The study by the Gallup Organisation found that an employee’s relationship with their direct boss is more important for retention than pay and other benefits (Harvard Business School Press, 2006). The current research study also supported the above two research findings by concluding that there is a strong relationship between the knowledge workers perception of the manager’s behaviour and intention to stay.

6.4 RESEARCH QUESTION 2

How does the knowledge worker’s perception of the manager’s behaviours on items they perceive as important, relate to their intention to stay with the organisation?

Table 5 shows the mean and standard deviations of relevant competency scores of each retention group. The results reflect that knowledge workers who indicated that they planned to stay with the organisation and manager, perceived their managers to be competent on 72% of the items that they consider as important to them for retention. Conversely, respondents who plan
the next few years perceive their manager as competent on 29% of the items they consider as important to them staying.

Focusing on the graph which highlights the responses to “I plan to stay with my manager and the organisation” in Figure 6 in section 5.3, reveals that a high percentage of respondents who believed that if a managerial item was important to them for retention and their manager was performing well in this area, they will stay with the manager and organisation. This is evident by the histogram being largely skewed to the left. This further highlights the relationship between the positive perception of an individual’s performance and the individual’s intention to stay with the organisation. The link between a manager’s performance and retention of employees is also supported by Anderberg and Froeschle (2006), who found that a company that lacks great front line managers will bleed talent irrespective of how great the pay or training is.

6.5 RESEARCH QUESTION 3

What managerial behaviours do knowledge workers value as being important to them for retention? Which of these do they perceive their manager to be doing well on?
6.5.1 BEHAVIOURS CONSIDERED BY RESPONDENTS AS BEING THE MOST IMPORTANT FOR RETENTION

The items that were ranked the highest by the respondents in terms of being important to them for staying with the organisation were:

1. Gives me the authority and freedom to do my job,
2. Respects me as a professional
3. Provide opportunities for me to contribute and make a difference
4. Utilises my strengths and talents
5. Includes me in decisions and actions that affect my work
6. Creates an open, trusting and respectful relationship with me

The top 6 managerial behaviours in the study by Rhule (2004) identified 5 of the above 6 managerial behaviours from this research study as being the most
of the high potential individuals. The order of importance of the top 6 was however different. These are highlighted below:

1. Respects me as a professional
2. Creates an open and trusting relationship,
3. Utilises my strengths and talent,
4. Includes me in decisions and actions that impact my work,
5. Gives me authority and freedom to perform my job,
6. Allocates appropriate salary increase based on my job performance.

The literature reviewed also highlighted that open and trusting relationships and the manager’s respect for them were key factors that individuals considered when deciding whether to stay or leave an organisation. Barbian (2002) found this in a study conducted by Master Works that "the main factor in deciding to stay or leave their job was whether they had a trusting relationship with their manager" (Barbian, 2002, p. 4). The Hay’s international study (Hay, 2002) found that the second largest reason for labour turnover was unhappiness with the direct manager.

The results from the research study support the conclusions drawn from the study by Rhule as well as the literature review. It is evident that managerial behaviour plays a major role in the retention of knowledge workers. The above behaviours are those that managers need to exhibit and develop to build the
6.5.2 BEHAVIOURS RANKED AS BEING THE MOST IMPORTANT BY RESPONDENTS AND WHERE MANAGERS ARE DOING WELL

The managerial behaviours that the respondent ranked high in importance to retention and which the manager was actually doing well were:

(1) Gives me the authority and freedom to do my job,

(2) Respects me as a professional

(3) Creates an open, trusting and respectful relationship with me

The above results indicate the main behaviours that managers in the organisation need to continue doing well as these are perceived by the individuals to be the reasons for them staying. The behaviours above indicate the importance placed by knowledge workers on trust, respect and freedom. These items are not easy to achieve and is therefore very important for managers to ensure the relationship is maintained once developed.
6.5.3 BEHAVIOURS RANKED AS BEING THE MOST IMPORTANT BY RESPONDENTS AND WHERE MANAGER IS NOT DOING WELL

The results indicate that there are four behaviours that they are not performing well at but for which the knowledge workers perceive as being important for them staying in the organisation. These are:

1. Provide opportunities for me to contribute and make a difference
2. Utilises my strengths and talent
3. Includes me in decisions and actions that have an impact on my work
4. Allocates appropriate salary increases based on my job performance

The study by Rhule (2004) found similar results with two of the above four behaviours also identified namely: utilises my strengths and talent; and includes me in decisions and actions that have an impact on my work. It is therefore critical that managers start working on the above 4 behaviours as these could be reasons why their knowledge workers will leave the organisation. The first three are related to being trusted, given more responsibility and opportunities to make decisions.
Does perceived relevant managerial competency affect retention differently for the various race groups?

Cappelli (2000) argues that different groups of people require different approaches to retention. This therefore implies that one cannot expect to retain a diverse workforce using a single retention strategy. A study conducted by Littrel and Nkomo (2005) however found that there was no dominant leadership behaviour set preferred by employees and managers for the different genders or race groups in South Africa. The research question was aimed at determining which school of thought represents knowledge workers in the manufacturing sector.

The results of the ANOVA shown in Table 9 in section 5.4 indicate that there is no significant difference between black and white respondents in how competent they perceive their managers to be on managerial behaviours they consider important for retention. Moreover, the effect of perceived managerial competency did not affect retention differently for black versus white knowledge workers.

This finding supports the findings of Littrel and Nkomo. This implies that managers and organisations need to be consistent in their behaviour and procedures irrespective of the race group of the knowledge worker.
ADDITIONAL FINDINGS FROM QUALITATIVE DATA

Qualitative data was collected from the respondents to determine whether there were any other managerial behaviours that the researcher may not have identified from the literature review. Items that were frequently cited were:

- Recognise my performance and give credit where it is deserved.
- Be more flexible with remuneration and incentives. Sappi need to create a less bureaucratic culture
- Defined career path.
- He needs to be a leader not a boss
- Play open cards with no hidden agenda, leave the politics for the politicians
- Change working contracts to treat all employees within specific job roles fairly and the same.
- Assist me in providing new challenges in a different role.
- Remunerate me according to my knowledge and experience

Assessment of the qualitative data indicates that most of the comments made support the 36 managerial behaviours already identified and used in the research study.

Two responses that deserve a mention requested the manager to dance with them and one who said that they are in their dream job working for the ideal manager. This comment makes one wonder whether the respondent believes he is in a dream job because of his perception of the manager as being great.
The overall hypothesis proposed in the conclusion of the literature review is that there is a positive relationship between the behaviour of a manager towards a knowledge worker and their intention to stay with the organisation and that managerial behaviours affect retention differently for the different race groups.

The findings from the research accept the hypothesis that there is a positive relationship between the behaviour of a manager towards a knowledge worker and their intention to stay with the organisation.

The research findings however reject the hypothesis that managerial behaviours affect retention differently for the different race groups.

Both this research study and the research conducted by Rhule found that there exists a strong relationship between the knowledge workers perception of the manager’s behaviour and intention to stay.

Both research studies also identified 2 common behaviours where the manager is not performing well but which the knowledge worker perceives as being important for retention. These are: utilises my strengths and talent; and includes me in decisions and actions that have an impact on my work.
7.1 SUMMARY OF FINDINGS

The profile of the typical knowledge worker in the organisation is more likely to be a white male, age between 24 and 39 years, with between 3 and 10 years service with the organisation and is working with his current manager for a period of 2 years or less.

The research study indicates that there is a strong relationship between the knowledge workers perception of the manager's behaviour and intention to stay.

Knowledge workers who indicated that they planned to stay with the organisation and manager perceived their managers to be competent on 72% of the items that they consider as important to them for retention.

The items that were ranked the highest by the respondents in terms of being important to them for staying with the organisation were: (1) gives me the authority and freedom to do my job, (2) respects me as a professional, (3) provide opportunities for me to contribute and make a difference, (3) utilises my strengths and talents, (5) includes me in decisions and actions that affect my work, (6) creates an open, trusting and respectful relationship with me.
that the respondent ranked high in importance to retention and which the manager was actually doing well were: (1) gives me the authority and freedom to do my job, (2) respects me as a professional, (3) creates an open trusting and respectful relationship with me. These behaviours indicate the importance placed by knowledge workers on trust, respect and freedom.

The research showed that there is no significant difference between black and white respondents in how competent they perceive their managers to be on managerial behaviours they consider important for retention. Moreover, the effect of perceived managerial competency did not affect retention differently for black versus white knowledge workers and the overall hypothesis is therefore rejected.

The research however support the findings of Littrel and Nkomo (2005) who found that there was no dominant leadership behaviour set preferred by employees from different race groups in South Africa.
For organisations to attract and retain the knowledge workers that are critical to the ever increasing knowledge based economy, it is vital that they understand the key behaviours that are important to these individuals for retention. This will also assist human resource and line managers to develop policies and practices that support retention of knowledge workers. Having policies and best practices aligned with retention also helps build a strong corporate brand which will assist in attracting the best people into the organisation.

The research showed that managers play a vital role in the retention of knowledge workers and that there is a strong relationship between the knowledge workers perception of the manager’s performance and their willingness to stay with the company. The implication for managers is that they play a bigger role than they realise and they should look deep within themselves to see what is it they have or have not done that has caused the individual to leave.

The research concluded that the managerial behaviours that knowledge workers from different race groups considered important retention did not differ significantly. The implication of this is that managers do not need to focus on developing different retention strategies for knowledge workers from the
It also implies that managers need to be consistent in their actions and behaviour irrespective of the individual’s race.

7.3 RECOMMENDATIONS FOR FUTURE RESEARCH

- This study focused on the manufacturing sector and it is proposed that future studies look at other sectors to establish whether the findings in this study are industry specific.

- A longitudinal study should be conducted that follows a group of knowledge workers from each race group from the time they are selected throughout their career. This would determine whether the importance to staying factors change as they grow older or progress through different levels of management.

- This study did not analyse the impact of the gender of the knowledge worker or the gender of the knowledge worker’s manager. This study could be replicated to determine whether gender has any impact on the importance to staying factors.

- This study only focused on knowledge workers. Future studies could look to compare a group of knowledge workers to a group of unskilled workers to determine whether there is any significant difference in the factors considered important for retention for the two different groups.


APPENDIX 1: Research Questionnaire

Introduction:
I am researching the role of managers on the retention of knowledge workers in the manufacturing sector. I request your participation in the survey below to help me further the research in this area. The survey should not take up more than 20 minutes of your time. Please note that your participation is voluntary and that you can terminate your participation at anytime during the process.

NOTE: All information will be kept confidential. By completing this survey you indicate that you voluntarily participate in this research study. By participating in this survey, you also consent to the use of the data from this survey by any researcher in any further study that may arise from this particular research study.

If you have any concerns or questions, please contact me or my supervisor. Our contact details are presented below.

Researcher: Naresh Naidoo  
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0828767698

Supervisor: Dr. Albert Wöcke  
wocke@gibs.co.za  
(011) 7714172

Instructions:
This survey requires you to rate how important each item is to your staying with the current organisation, and how your manager is meeting your expectation regarding each of these items. There are four sections to the survey: Section A below asks you for your background information. Section B includes questions on the factors that may retain you. Section C contains general questions. Lastly section D includes open-ended questions to answer.

There are no right or wrong answers. What you think or feel is what is important for this survey. Please try to respond to all the questions.

Please click on the submit button when you have completed the survey. Thank you.
A. Background Information

Place a check in one box for each item.

1. Gender: Male  Female
2. Age: 23 or under  24-39  40-49  50 or older
3. Length of Service in the Organisation: <1Year  1-2Years  3-5Years  6-10Years  11Years or more
4. Length of Time Working for Current manager: <1Year  1-2Years  3-5Years  6 Years or more
5. Do you have a tertiary qualification from a University or Technikon? Yes  No
7. Population group of your Manager: African  Coloured  White  Asian

B. Retention Factors

Instructions: There are 36 items in this section. Please rate each item twice. First, for each of the items, rate how important that aspect is to you. Secondly, go through the items again and rate them on how well your manager (whom you directly report to) does that.

Please use the following response formats:

Importance to me staying with the organisation:
1=Not at all important  2=Somewhat important  3=Moderately important  4=Very important  5=Extremely important

How well my manager does this:
1=Does not meet my expectations  2=Sometimes does not meet my expectations  3=Meets my expectations  4=Frequently exceeds my expectations  5=Exceeds my expectations
<table>
<thead>
<tr>
<th>My Manager :</th>
<th>Importance to me staying with the organisation</th>
<th>How well my manager does this</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1=Not at all Important 5=Extremely Important</td>
<td>1=Does not meet 5=Exceeds</td>
</tr>
<tr>
<td>1. Supports me in attending training to develop new skills</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2. Provides me with opportunities to develop and apply the skills I need to enhance my career</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>3. Helps me to create a clearly defined career path</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>4. Provides on-the-job-coaching to help improve my performance</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>5. Keeps my informed about the issues affecting my work</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>6. Really listens to me</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>7. Can be disagreed with on work-related issues without fear of reprisal</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>8. Provide challenging job assignments for me.</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>9. Utilises my strengths and talent</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>10. Provide opportunities for me to contribute and make a difference</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>11. Encourages me to be innovative and to take initiative in my work</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>12. Gives me the freedom to work in my own creative way</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>13. Gives me the authority and freedom</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td></td>
<td>Importance to me staying with the organisation</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>1=Not at all Important</td>
<td>5=Extremely Important</td>
</tr>
<tr>
<td>14.</td>
<td>Includes me in decisions and actions that have an impact on my work</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>15.</td>
<td>Takes my suggestions seriously to improve things</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>16.</td>
<td>Removes barriers that get in the way of high performance</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>17.</td>
<td>Ensures that I have the materials and equipment I need to do my job</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>18.</td>
<td>Sets clear cut goals for me</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>19.</td>
<td>Discusses the results I am expected to achieve</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>20.</td>
<td>Assesses my work against identified goals and objectives</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>21.</td>
<td>Promotes my participation in high visibility activities</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>22.</td>
<td>Represents my interests and concerns to higher management.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>23.</td>
<td>Creates a comfortable and caring work environment.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>24.</td>
<td>Develops ways to make work and the workplace more enjoyable and fulfilling</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>25.</td>
<td>Allows me to balance work priorities with my personal life so</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>
### My Manager:

<table>
<thead>
<tr>
<th></th>
<th>Importance to me staying with the organisation</th>
<th>How well my manager does this</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1=Not at all Important</td>
<td>2</td>
</tr>
<tr>
<td>26. Provide useful feedback on my job performance</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>27. Recognise or rewards me for the value that I add</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>28. Uses innovative and personalized ways to reward and recognise me</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>29. Allocates appropriate salary increases based on my job performance</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>30. Encourages opportunities to work in teams</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>31. Understands and appreciates different styles and backgrounds</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>32. Can be counted on to keep his or her promises</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>33. Respects me as a professional</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>34. Creates an open, trusting and respectful relationship with me</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>35. Hires employees with the skills needed to help the team succeed.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>36. Removes poor performers</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>
Instructions: Using the scale below, rate the following item.

Scale: 1=Poor  2=Fair  3=Good  4=Very Good  5=Exceptional

37. How would you rate your overall work relationship with your manager?

38. Intention to stay. Check only one:
   - I plan to stay with my manager and the organisation
   - It would like to transfer to work for another manager in the organisation
   - I plan to leave the organisation within a year
   - I plan to leave the organisation in the next few years

D. Open-ended Questions

39. In your opinion, what would your manager need to do to retain you or someone like you?

40. Please write any other comments that you believe are relevant but that I have not asked you.