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The factors driving staff turnover in the hardware retail industry

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University of Pretoria, in partial fulfilment of the requirements for the degree of
Master of Business Administration.

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ABSTRACT

The following quantitative study investigated staff turnover at Company H, a hardware retailer, where 174 former employees were telephonically interviewed via a questionnaire. The results showed that staff enjoyed various factors at Company H but found their present management better than that of Company H. The staff also viewed written and spoken English and PC skills as very important factors for their training in retail, their career advancement and their decisions to stay in retail. Issues of gender, age and further customer training was also found to be important factors. These findings were discussed in light of the literature review conducted and a detailed model of learning and turnover intentions was proposed. The study was concluded with a list of recommendations for company H and a list of areas for further research.

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment 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.

Name: Bremavishnu Vather

Signature:

Date: 13 November 2008

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To God

Thank you for listening when nobody else would.

To Dr. Helena Barnard (my guardian angel of research)

You turned a difficult journey into one of enlightenment.

I remain eternally grateful.

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Thank you Thank you Thank you

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CHAPTER 1 RESEARCH CONTEXT

1.1 Research Problem

The wholesale and retail industry is the second highest employer of labour in the South African Economy (Department of Labour Annual Labour Market Bulletin, 2007). The replacement demand in the retail industry is five times higher than the labour required for meeting expansion demands (Hart, Stachnow, Farrel and Reed, 2007). Staff turnover in the retail industry is therefore a critical area of management and reasons staff leave the industry should be investigated.

Reasons for turnover can be due to intrinsic and extrinsic factors and will vary between different groups of employees and individual employees themselves. External factors such as skill shortages, increasing demand and better reward packages are difficult for the employer to control. Internal factors are within the locus of control of managers but first requires acknowledgement of the problem by managers and thereafter it can be constructively addressed (Hendrie, 2004).

1.2 Research Aims

The aims of the research are to,

- 1 Gain an understanding of why permanent employees are leaving the retail hardware industry
- 2 Contrast the internal push factors, which are within the control of management against the external pull factors of the industry and the external environment as a whole. This will help define factors that lead to staff attrition.
- 3 Explore the skills that are deemed important by retail staff and their effect on turnover intentions. The research will investigate if the retail sector is a transitional employment sector that is used by employees to gain access to employment in other sectors.
- 4 Explore if there is a pattern of learning associated with staff turnover

1.4 The need for this research in the South African context

The Wholesale and Retail Skills Education Training Authority (W&R SETA) announced in 2005 that it was allocating R97.5 million rand for skills development in the wholesale and retail sector (seta.org). This was done to address the skills shortage in the sector. The training that is done with retail staff should help curtail the skills shortage however, the high turnover rate generates several questions in the South African context.

They are,

- Are these skilled exported to other sectors such as financial services and manufacturing ?
or
Are these skills retained in the retail industry?
- Do the training interventions match career aspirations?

The second question addresses organisation specific issues whilst the first question looks at retail sector being used as a transitional industry to gain experience. If the former is true then the allocation of training funds and W&R SETA rebates to the retail sector needs to be reviewed as other economic sectors are preying on the retail sectors training investments. Turnover in the retail industry in such a case can be viewed as a natural economic phenomenon rather than a human resources deficiency on the part of the industry.

1.5 Outline of the research report

The following report is divided into seven chapters, beginning with a current literature review of staff turnover in retail in Chapter two. Chapter three outlines the research questions that arose from the literature review and Chapter four details the research methodology employed to answer these questions. The results are presented in Chapter five followed by an interpretation and discussion of the findings in Chapter six. The report is concluded in chapter seven where future areas of research are discussed.

CHAPTER 2 LITERATURE REVIEW

2.1 Introduction

This chapter presents a model on staff turnover that depicts the current literature on staff turnover in retail and how it is defined. It looks at factors that lead to staff turnover in retail operations and considers views on the effect of staff turnover on retail operations. The literature review also extends to training, the psychological contract and the South African workforce. This chapter forms the basis for the research questions posed in the following chapter.

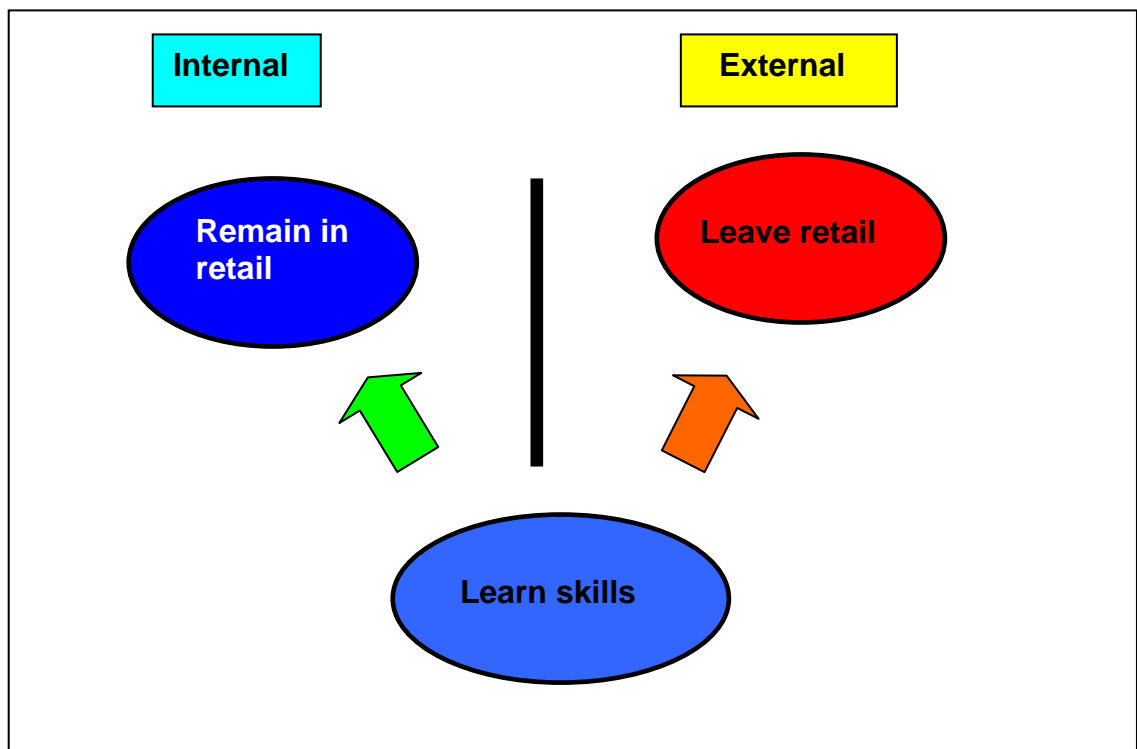


Figure1: A model of staff turnover and learning interventions from the literature review

2.2 Staff turnover

The process of employee turnover is one of the most fascinating and perplexing areas of management (Lee and Rwigema, 2005) and is an inevitable phenomenon in the labour market (Kirschenbaum and Weisberg, 2002). The lack of employee continuity and organisational stability together with the high costs of recruitment and training of new staff are some of the consequences of employee turnover. It is not surprising then that researchers and psychologists have made concerted efforts to identify the antecedent factors that cause employee turnover in order to assist managers to institute preventative measures (Siong, Mellor, Moore and Firth, 2006).

Mobley (1982) sees staff turnover as process and not an action within a business. It is dynamic, changes over time, with staff being at varying levels of engagement and disengagement at any one time. Finally turnover is a mix of actions and operations which may be attitudinal, behavioural or cognitive (Lee and Rwigema, 2005). The implications of this are that staff turnover is a complex process that encompasses where a company is at any point in time with where the employee's perceptions are at any one moment in time. This is important to consider because it shows that staff turnover can be due to reasons outside the locus of control of a company.

Employees' job destination choices, as part of the turnover process, reflect options for internal or external market moves. Employees with external destination intentions will probably be concerned with contrasting conditions between their status and available opportunities. Younger employees show a more intense intention to move to alternative destinations (Kirschenbaum and Weisberg, 2002). The above sets the scene for using the contrasts between present and previous employment conditions to investigate the various factors of staff turnover. It also highlights age as a factor to consider when investigating staff turnover. The above describes staff turnover as a complex process encumbering a multitude of factors.

These are broad definitions and to bring it into the context of the present study it is important that retail is reviewed in the role it plays in the economy, how it is perceived as a career destination, and finally what are the turnover factors that are commonly found in retail research.

2.3 Role of Retail in the economy

The retail sector is the largest sector of the private economy in the United Kingdom (Hart *et al.*, 2007) and is the second largest employer in the formal South African economy (Department of Labour Annual Labour Market Bulletin, 2007). There is no doubt that retail has a major influence in local economies. Retail employs the highest proportion of part time workers and suffers a higher than average staff turnover. (Hart *et al.*, 2007). The move to part time employment is a response to the twelve-hour shifts that stores operate and caters for seasonal fluctuations. There are limited permanent vacancies in retail operations yet there is an above average staff turnover.

Retailing is viewed by the customer as the first link in the distribution chain that delivers goods and services to the market (Abratt, Bendixen and Drop, 1999). Retail exposes the employee to an array of suppliers and services due to the range of products carried. Employees, through meetings with suppliers and interaction with representatives, assimilate information about different industries and very often leave retail to join suppliers and service providers. Retail can therefore be viewed as a link in the supply chain of labour to other sectors such as manufacturing and financial services.

Labour turnover is seen as an area of cost that can be measured and benchmarked (Booth and Hamer, 2007). When good salespeople resign, the company incurs additional costs for recruiting and training but also runs the gauntlet of lost revenue and disruptive customer relationships. This may be a positive if under performing employees leave. (Johnson, Griffeth and Griffin, 2000). The reason why employees leave a retail organisation needs to be understood so that it can be managed.

2.4 Staff perceptions of retail

The former section illustrates the powerful role retail plays in the economy however, for the employees in retail it is also important to understand how they perceive their employment roles and their social status. Broadridge (2003) and Hart *et al.* (2007) both concur that retail has a poor image as a career destination. This arises often from experiences as part time workers or as consumers themselves. The minimum wage and long working hours shape a negative opinion of retail. Retail however, has become more specialised and employers are doing very little to market the industry and career options (Broadridge, 2003). Retail is far more complex than the shop floor experience and there exists vacancies that transcend from finance, supply chain logistics, marketing, replenishment and human resources. Employers are not doing enough to market these career opportunities.

The competitiveness of the retail industry and the economic climate has meant that measures of personnel productivity and personnel performance have attracted increased attention. (Broadridge, 2002). There is a strong sense that retail may have easy entry requirements; however, the negative perceptions do not allow staff to stay in the industry for long tenures. It is also important to understand that given these negative perceptions many people still enter retail only to subsequently leave. The question then arises is why do people intentionally enter an industry that has a poor public image and is seen to offer a low quality of employment (Shittu and Omar, 2006). There must be some value gained from the retail exposure that is necessary for jobs in other industries. This learning/experiential gap needs further investigation.

2.5 Factors that lead to staff turnover in retail

Hendrie (2004) listed key drivers of staff turnover. These included hours of work, pay rates, staffing levels, recognition, staff facilities, staff uniform, the actual job, working under pressure and lack of training and communication. The issues of recognition, staffing levels, working under pressure and the lack of training and communication all point to management competencies and how the staff perceive these. Similar variables are listed by Hart *et al.* (2007), Broadridge (2002) and Booth and Hamer (2007). These common themes are synonymous with the natural characteristics of the retail work environment.

The retail industry is different to other sectors as most sectors work a normal week Monday to Friday whilst retail is a seven-day week operation. This includes long hours of work. The nature of the industry therefore has an impact on an individual's private life in terms of work life balance and social status. There are also internal factors that need to be considered that would have a positive relationship with employee turnover. The retail industry therefore has internal and external influences that determine staff turnover. In the current study, these influences will be investigated by looking at employee turnover in the hardware retail industry.

2.6 Staff Training

An individual's market value and bargaining power is related to the quality and value of the knowledge that he or she possesses (Jacobs and Roodt, 2007, p. 232). The above brings to the fore the issue of training. There are two types of training that occurs in any workplace. There is the training that is provided by the employer and there is the self-learning where individuals empower themselves with knowledge or skills available in the workplace. Individuals who have clear career goals will naturally move towards learning interventions that will give them the appropriate experience so that it can be included in their curriculum vitae for prospective employers to accept.

Employees who have a clear understanding of their career goals will be highly motivated to participate and be successful in training interventions that support their career goals (Rowold, 2007). Staff will engage in career exploration and evaluate their skills, strengths and weaknesses to positively influence their career paths. The implication of this for Retail is that staff need to have regular career discussions and employers must be open to offering staff training interventions that facilitate their progression towards their goals. This is in contrast to the generic training interventions that retailers believe all employees have to complete with no opportunities of specialisation. The learning from this that retailers must have a generic training plan but also have a specialised training plan running parallel to generic programs for employees to up skill themselves in their preferred areas of specialisation.

Heyes (2007) did work on the recruitment, compensation and training of sixteen and seventeen year old school leavers in the manufacturing, hospitality, hairdressing and retail sectors. His findings found that generally this age band was poorly paid and subjected to limited training interventions. More specialised training was reserved for older workers. The result of this was the lowly paid, poorly trained individuals showed high levels of dissatisfaction as they did similar work to older, higher paid individuals. Managers in the sectors reported that younger workers saw their employment as a temporary prelude to further education or a better job (Heyes, 2007, p. 392).

The work done in the construction industry by Kappia, Dainty and Price (2007) also echoes these findings with them stating that the failure to meet early expectations combined with a lack of progression opportunities directly impacts on long-term retention. They further advocate that all employers should aim to provide all employees, regardless of their entry point, with defined career paths that are consistent with the employee's motives and orientation.

This is a realistic picture of retail and when this is contrasted with Rowold (2007), it is very clear why retail would expect high turnover rates at younger age bands. There appears to be a mismatch of employer ideologies and employee expectations. Younger staff wants more specialised training interventions as they have career ambitions of their own. This brings the conversation back to having regular career discussions and exposing younger staff to training that best suits their career aspirations.

Buick and Muthu (1997) did work on the hotel industry in Scotland. Their work found that when managers stopped viewing training and development as an optional extra and focussed on the quality of the trainer and training material, this reduced staff turnover in the industry. Good training should reduce staff turnover because it reduces job stress (Buick and Muthu, 1997, p. 662) They go further to express an opinion that management were not really interested in training and it rested on the older workers to show newcomers how to do the job.

A similar condition prevails in retail when older workers are given new staff to train. This immediately lends itself to poor marketing of the industry if an older disgruntled worker is entrusted with the training of a new staff member. It also creates a gap between management and new staff. The learning from the above is that new staff needs to have closer relationships with management and their training and management must supervise career paths. The challenge of this reality is that retail is a fast-paced environment and if managers are able and more importantly willing to balance trading and profitability aims with training initiatives.

In response to the many the many views of training and its value to retaining staff the concept of a retail apprenticeship was discussed by Lewis, Ryan and Gospel (2008). The idea was to address the skills shortage in the industry where twenty percent of staff have no qualifications and twelve percent are only qualified to level one (Lewis *et al.*, 2008). Retailers need to increase the skills levels of their staff to compete effectively. This was found to be unpopular by larger retailers who prefer to upskill present employees or to employ already skilled employees from other businesses with the latter being a contributory factor to the high turnover in the industry. The other constraint was the financial investment of retailers to train their own apprentices. This is indeed an interesting concept that would need government support to succeed.

2.7 The Psychological Contract

The psychological contract is the unwritten rules and expectations that define an employee and employer relationship (Grobler, Warnich, Carrell, Elbert and Hatfield, 2006). These include beliefs that are based on promises made or implied regarding the employee/employer relationship. These contracts motivate employees to work and deliver results when they feel that the employee will honour the agreement. The contract is continuously being reviewed by both parties in the relationship over time (Rousseau, 2004) and is therefore subject to various degrees of emotions from happiness to anger as the relationship progresses or regresses. Consequently, when these contracts are perceived to be broken or violated beyond reconciliation, employees consider resignation from the employer (Grobler *et al.*, 2006). The psychological contract is therefore an important concept to consider when investigating why employees resign from their jobs.

The psychological contract is described by Rousseau (2004) as a three part continuum that spans from a relational contract to a balanced contract and finally to a transactional contract and *vice versa*. The relational psychological contract sees employees and employers committing to each other's needs and employers are more likely to offer such contracts to valued workers. Transactional contracts see employees adhere to specific terms of their contracts and seek employment elsewhere when there is disagreement (Rousseau, 2004). The transactional psychological contract sees employees deliver the minimum requirements of a job specification. The balanced

psychological contract is a combination the above two agreements and is characterised by the sharing of risks by both the employer and employee (Rousseau, 2004). A relational psychological contract would be viable if the employee sees the employer as a career path and a transactional psychological contract would prevail if the employee sees the employer as a stepping-stone to other career opportunities (Rousseau, 2004). The understanding of the continuum of the three types of psychological contracts will help understand the tenure of an employee at an organisation when balanced against the reasons afforded for leaving the employer. The psychological contract provides a theory base to categorise relationships in the hardware retail industry and help further understand the dynamics that drive employee turnover in this industry.

2.8 The South African Context

The above literature review covered the global retail landscape. The purpose of this section is to see how the literature does review fare with the challenges faced in South Africa and the purpose is to highlight factors that may present itself in a South African study.

The South African retail employment landscape is characterised by the legacy of Apartheid, labour legislation and a move towards increased casual labour (Kenny, 2007). The increase in casual labour is similar to the findings of Hart *et al.* (2007) and therefore South African retail operations can be expected to have similar staff structures to retails operations around the globe. Most national South African retailers run daily ten to twelve hour operations seven days a week. Hendrie (2004) and Wilkinson (2008)

highlighted these conditions as factors that increase staff turnover. The permanent vacancies are limited and would expect to find similar staff turnover figures as high as forty three percent as reported by Hart *et al.* (2007).

The South African landscape is also personified by cultural changes (Klemz, Boshoff and Mazibuko, 2006). The South African national retailers are described as individualistic in cultural orientation and are more likely to drive “non humanistic” service delivery traits. The work –related behaviour of black staff employed by white-owned firms is shaped by the prevailing orientation of the specific business through socialization and training (Klemz *et al.*, 2006, p. 605). This will affect aspects of the employee’s psychological contract with the employer as cultural values may be transgressed in pursuit of financial goals. This must be considered when employee turnover is investigated in a South African situation. The complexity of the above is a challenge for managers and employees alike. The nature of industry itself may be a determinant in employee turnover.

There exists an alternative school of thought that states that diversity has no impact on staff turnover. Work done by Leonard and Levine (2006) on race (White, Black, Hispanic and Asian), sex and age showed no consistent evidence that diversity itself increased turnover. This is an interesting study and it contradicts the views of Klemz *et al.* (2006). This is very relevant in the current study and it would be interesting to see the effect of diversity on staff turnover in the South African context.

2.9 Conclusion

The above literature review showed that staff turnover is a dynamic process that varies with time. It also illustrates the misalignment of employer ideologies with employee expectations in terms of training and career planning and how this can result in different psychological contracts being found in a work environment. Bringing the conversation closer to the study it shows the important role that retail plays in the economy whilst discussing the negative perceptions that retail has a career destination. It further shows the factors that have been highlighted as contributory in staff turnover. The literature review is concluded with a matching of factors to the South African context.

CHAPTER 3 RESEARCH QUESTIONS

The previous section reviewed the literature on staff turnover in retail and this chapter now formulates research questions that will be used to investigate staff turnover in retail. The review of the current literature on staff turnover in retail demonstrated that, many factors have been identified as contributory to staff turnover but no thought given to what makes staff stay in the retail trade and how the learning's gained from retail are used in their present occupations. This leads to the research questions posed in the current study, which looks at favourable factors within retail, and what are the learning's gained in retail and how it is used for further career advancement or is it a factor that retains staff in retail. Four research questions emerge from the above.

3.1 Research question 1 - People who chose to use their skills in retail

3.1. a What factors make staff enjoy retail?

This question addresses the issues that previous staff enjoyed in retail. These factors give an understanding of the positive factors that would have retained staff in the industry.

3.1. b What are the factors that they learn in retail?

This question addresses the learning aspect of retail. It is very important to understand these factors in order to review which skills were gained during their retail tenure. Retail training interventions cover an array of topics. This isolates which training interventions past employees see as important.

3.1. c Do skills contribute to career advancement?

This question reviews how the skills gained in retail have helped staff in their career development. It also confirms if the training interventions present in retail are accepted and acknowledged by other employers. This research question investigates if staff uses the retail-training platform to acquire skills sought by other employers.

3.2 Research Question 2- people who use retail as a transition industry

How people who chose to stay in retail differ to those that choose to leave in terms of learning?

This question reviews what are the training interventions that help retain staff in retail. It also looks at what are the training interventions that lure staff to other industries.

CHAPTER 4 RESEARCH METHODOLOGY

4.1 Introduction

This section describes the methodology used to address the research questions presented in the previous chapter. It gives a background to the company and details the research design, planning and execution. The choice of questions asked and the administration of the questionnaire are also described. This section concludes with a description of the statistical analysis used and the limitations of the research being listed.

4.2 Background

Company H is a chain of twenty-one hardware retail outlets that is part of a retail group, which is listed on the Johannesburg Stock Exchange. The chain has an annual sales turnover in excess of four billion rand and currently employs 1748 employees as at April 2008 (Table 1).

The employee turnover rate from January 2007 to April 2008 was calculated using the resignation rate calculation in Grobler et al (2006, p. 126).

Turnover rate = employee resignations/ average number of employees for period

The average number of employees working in Company H for the sixteen-month period was 1704 employees whilst 513 voluntarily resigned during the same period. The turnover rate was 30%. This is high and warrants an investigation as to why this chain is experiencing high turnover rates.

<u>Date</u>	<u>Employee</u>	<u>Voluntary</u>
	<u>Number</u>	<u>resignations</u>
Jan '07	1647	33
Feb '07	1614	51
Mar '07	1602	66
Apr '07	1650	36
May '07	1624	19
Jun '07	1651	23
Jul '07	1661	25
Aug '07	1684	27
Sep '07	1756	21
Oct '07	1813	32
Nov '07	1837	27
Dec '07	1831	35
Jan '08	1818	21
Feb '08	1565	22
Mar '08	1769	57
Apr '08	1748	18
Average	1704	
Total		513

Table 2: The number of permanent employees and resignations for Company H from January 2007 to April 2008

4.3 Research design

A two-phase quantitative research design will be used to describe reasons a cross sectional study of the various levels of staff leave the hardware retail industry.

Phase 1

The initial phase will be collating the names and contact details of all staff that have resigned voluntarily from the period 1st January 2007 to 30 April 2008. Two research assistants were used to collate data from the staff terminations base. The contact details were collated from the provident fund termination documents. This information was considered the most up to date as the company contacts individuals using the telephone numbers provided to advise them when the provident fund is paid out. The research assistants then accessed the staff files for all other details such as position in company, age, gender and level of education. The human resources department has consented to this study.

Phase 2

The second phase of the study was telephonic interviews. A double blind system was used to circumvent interviewer bias. The personal details of the respondents were separated from the questionnaire (Appendix 1) which allowed the interviewer to discover the level of seniority only as the interview progressed.

Ten research assistants were used. The research assistants were trained on telephone ethics and given a standard greeting and introduction (Appendix 2). The researcher was available during the telephonic interviews to handle queries as they arose and each questionnaire was examined after the first interview to check the quality of recording the results. The next quality check occurred after the fifth successful interview and thereafter random checks were done.

The telephone numbers that were unavailable or on voice mail were tried on three occasions before they were considered as unreachable.

4.4 Population

The permanent employee is defined as an employee that works 45 hours a week and has a permanent contract that affords the individual pension/provident fund benefits, and the choice of being part of a medical aid scheme. Voluntary resignations are those employees who tendered resignations and were not dismissed through disciplinary actions. The target population would be all permanent employees who tendered resignations to Company H during the period January 2007 to April 2008.

4.5 Data Collection Instrument-Questionnaire (Appendix 1)

Good questionnaire design is a key to gathering good research results (Zikmund, 2003). The research looks at reasons employee are leaving the hardware retail industry and would be looking at the attitudes associated with their decision to leave. Zikmund (2003, p. 308) describes an attitude as an enduring disposition to consistently respond in a given manner to aspects of the world composed of affective, cognitive and behavioural components. A Likert scale (Zikmund, 2003) was used to allow respondents to indicate to how strongly they agree or disagree with statements regarding the working conditions at Company H, the skills they gained and its use in other industries and the effect on their work life balance.

4.6 Questionnaire design

4.6.1 Exit Interviews

There exist two schools of thought concerning using exit interviews as a source of information when assessing turnover in an organisation. The one school sees it a tool that reveals the true nature of the organisation (Valentine, 2005; Harris, 2000) and that is effective on shedding light on standard practices. The second school suggests that employees lie during exit interviews, as they are traumatic events to hold in light of a resignation and as such cannot be relied on (Steel, Rodger and Peter, 2002; Gaudet, 1960). Gaudet (1960) suggests a “post-terminal questionnaire” in which employees who have resigned are probed on the reasons for resignation and more often than not, the former employee will answer more freely. Work done by Abratt *et al.* (1999) suggests that retail staff

is prone to be less ethical than managers. Based on the above it seems that exit interviews are not a reliable resource to investigate turnover in retail. The research therefore focussed on employees who already left the employ of the company and did not analyse records of exit interviews. The ex-employees contacted had been out of the employ of Company H for between three and eighteen months.

4.6.2 Structure of questionnaire

The questionnaire consisted of five sections. The first section covered general details such as previous and current position; the current industry the staff was working in and the size of the current organisation. The second section of the questionnaire looked at the skills that they acquired at Company H and reviewed if they were acquired through Company H's training programs or through their own experience. The third section of the questionnaire investigated the same factors as section two but this time asked what further training was needed in order to achieve career goals. The fourth section contrasted current working conditions with previous working conditions at Company H. The final section looked at how the staff experienced the working conditions at Company H. The questionnaire was balanced as it contrasted previous working conditions with current working conditions and more importantly, it reviewed previous training interventions and investigated what further training was needed for career advancement.

4.6.3 Factors investigated in the questionnaire

Hendrie (2004) listed income, lack of career advancement, working hours, poor staff recognition, training, communication, poor staffing levels, staff facilities and staff uniform as factors that influenced turnover. The research went further to enquire whether the individual learnt through the organisation or by himself or herself. The learning's were broken down into communications skills, selling skills, product training, computer skills and administration skills. Building on the work of Kirschenbaum and Weisberg (2002), these conditions were contrasted between the current employer and the previous employer to understand if their hopes have been realised and what are the future ambitions of the staff contacted.

4.7 Data collection

The entire population was targeted to obtain responses from people who had worked at Company H. The data was collected telephonically and was physically stored but an electronic copy was generated as a backup. This helped to prevent losses of the physical questionnaires during the collection and data analysis periods. Ten research assistants were used for this and they were trained on telephone interview manners and given a standard telephone interview guideline (Appendix 2) to use.

4.7.1 Telephone interviews

Company H's are typical of many organisations in South Africa in that they policies only allow internet access to the branch and administration managers with sales managers having email access but no internet access. All staff below management level has no access to e-mail or the internet. Therefore, the use of a web-based questionnaire would likely have prejudiced lower level employees who do not have web access. Further to this, web-based questionnaires cannot guarantee that the targeted respondent is the actual person who completes the questionnaire. The above reasons support why a web based questionnaire was not used.

Hendrie (2004) used a postal survey with a self-addressed return envelope for his research. Company H's employee records showed addresses when the employee was initially employed and is not annually updated. In addition to issues of a poor mailing system, targeted respondents could have moved residence and this would have resulted in higher number of non-responses. There was also no guarantee that the respondent of the postal survey was the actual former employee. Company H also views the telephone as the most reliable source of contact. The telephone interview mitigates all of the above factors and therefore was the communication vehicle used for data collection.

4.8 Data Analysis

The research questionnaires were converted from the manual questionnaire sheet to an excel format report using a double entry system. Two research assistants independently populated excel spreadsheets. The results were then compared to detect and fix the manual transfer errors. The above process ensured accuracy during the data conversion process.

4.9 Statistical Analysis

4.9.1 Multiple regression

Regression analysis is the study of relationships between variables. It is one of the most useful tools for business analysis as it applies to so many situations (Albright, Winston and Zappe, 2006, p. 562). This study investigated the relationship of a single variable with several other variables. Albright *et al.* (2006) states that including several explanatory variables in the regression equation moves the analysis to a multiple regression analysis. Multiple regression analysis was used to analyse data for the first three research questions.

4.9.2 R-square: The coefficient of determination

The R-square is the percentage of the variation of the dependent variable explained by the regression and can only be increased or improved by the addition of more or more explanatory variables (Albright *et al.*, 2006). The r-square was reviewed as more variables were added to the regression analysis.

4.9.3 ANOVA (analysis of variance) model

An ANOVA table analyses the different sources of variation (Albright *et al*, 2006). The ANOVA table was used to view the significance of the regression models tested. The significance levels (Albright *et al.*, 2006) were categorised as follows:

0% to 1%- highly significant

1% to 5%- significant

5%-10%- marginally significant

Above 10%- Non significant variable

The regression models that showed high degrees of significance are reported in the results.

4.9.4 Independent sample t test

The t test can be used to test on some variable will be significantly different for two independent samples or groups (Zikmund, 2003). This was used to analyse the data for the last research question, which looked at the differences between the learning aspirations for staff that chose to remain in retail as opposed to staff that left retail completely.

4.10 Limitations to research

- 1 Former employees may not willing to share their experiences at Company H and therefore be not willing to participate
- 2 Former employees may have changed their telephone numbers and the numbers on record will no longer be valid. Therefore these employees will not be reached.
- 3 The true reason for the resignation is not known and the questionnaire asks generic questions and does explore in depth the reasons for views expressed. The study does not explore id the employee left on “good” or “bad” terms
- 4 The findings being used to generalise the general status of the hardware retail industry, and beyond to retailing in South Africa.

4.11 Conclusion

The research design and methodology are suited to address the research questions proposed within the scope and time limitations of this study. The limitations of this study are acknowledged. The chapters that follow state the findings and discuss the findings in light of the literature review and future research areas.

CHAPTER 5 RESULTS

This sections looks at the results of the study describing the response rate and the statistical analysis derived from the tests used on the results.

5.1 Sample results

Of the 513 staff, resignations (Table 1) recorded only 411 staff records were found. These records were then used and formed the basis of the sample.

Response	number	percentage
Response obtained	174	42%
Declined to participate	74	18%
Voicemail	123	30%
Incorrect numbers	9	2%
Out of country	4	1%
Numbers no longer available on networks	27	7%
total	411	100

Table 2: Response rates from sample

Table 2 shows that a 42% response rate was achieved. Those who declined were only 18% of the sample. 30% could not be reached as they were on voicemail. These numbers were tried for a minimum of three times. The remaining 10% were incorrect numbers, out of the country and numbers no longer available on the cellular networks.

5.2 What factors make staff enjoy retail?

Figure 2 illustrates the model summary of the multiple regression analysis used to determine factors that make staff enjoy retail.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.569(a)	.324	.254	1.34076

a Predictors, (Constant), Pressure at previous company, Benefits improved, Level of education, Approximate duration of employment, Age, Working hours at previous company, Gender, Management improved, Staffing levels at previous company, Income improved, Staff facilities at previous company, Working hours improved

ANOVA (b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	99.956	12	8.330	4.634	.000(a)
	Residual	208.525	116	1.798		
	Total	308.481	128			

a Predictors, (Constant), Pressure at previous company, Benefits improved, Level of education, Approximate duration of employment, Age, Working hours at previous company, Gender, Management improved, Staffing levels at previous company, Income improved, Staff facilities at previous company, Working hours improved

b Dependent Variable, How much enjoyed working at previous company

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	2.931	1.447		2.026	.045
	Age	-.018	.014	-.106	-1.302	.195
	Level of education	-.140	.238	-.048	-.587	.558
	Approximate duration of employment	.183	.075	.193	2.444	.016
	Gender	.452	.331	.112	1.363	.175
	Income improved	.147	.162	.086	.907	.367
	Benefits improved	.118	.105	.100	1.128	.261
	Working hours improved	-.097	.149	-.063	-.652	.516
	Management improved	-.351	.119	-.247	-2.961	.004
	Working hours at previous company	.205	.106	.167	1.929	.056
	Staff facilities at previous company	.207	.104	.180	1.997	.048
	Staffing levels at previous company	.191	.105	.160	1.816	.072
	Pressure at previous company	.082	.095	.078	.856	.394

a Dependent Variable, How much enjoyed working at previous company

Figure 2: Regression model for factors that staff enjoy in retail

5.2.1 Dependent variable

The dependent variable was how much I enjoyed working at the previous company.

5.2.2 The independent variables

The number of independent variables used was twelve.

The independent variables used in the model were:

- Demographics : Age, Level of education and Gender
- Working conditions: Pressure at previous company, Benefits improved, Approximate duration of employment, Working hours at previous company, , Management improved, Staffing levels at previous company, Income improved, Staff facilities at previous company, Working hours improved

5.2.3 General

Excluding the incomplete surveys, the N of the sample was 128. The minimum for a normal distribution is thirty therefore; this provides adequate degrees of freedom for statistical analysis.

The beta values could not be interpreted for the coefficients, as the independent variables were not standardised. This meant that the relative importance of each variable could not be determined. The signs in front of the values were used to interpret negative or positive correlations (Knauff, 2007, p. 47).

5.2.4 Result Findings

The R-square for the model was 0.324, which means that 32.4% of the variance in the enjoyment factors of retail could be explained by the variables in the model. This is an acceptable r-square for this type of research question. The ANOVA model reflects a significance level of 0.000, which means that the model is very highly significant. The overall model is therefore accurately specified.

5.2.5 Significant factors

The variable that was most significant in this analysis was that management had improved in the present company. The significance was 0.004; which is under 1% and therefore satisfies our definition of high significance. The variables that were significant were approximate duration of employment and staff facilities. They showed a significance of 0.016 and 0.048 respectively. This is within the 1% to 5% definition of significant factors.

5.2.7 Marginally significant factors

Working hours at the previous company and staffing levels the previous company were variables that came out as marginally significant. These variables were within the 5% to 10% range for marginally significant factors.

5.2.8 Non significant factors

The variables age; level of education; gender; income improved; benefits improved; working hours improved and pressure at previous company were all above the 10% significance level and are therefore deemed as non significant when considering how much staff enjoyed working at their previous employer.

The interpretation of these findings is discussed in the next chapter.

5.3 What are the factors that staff learn in retail?

Figure 3 illustrates the model summary of the multiple regression analysis used to determine what staff learn in retail.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.642(a)	.412	.356	1.06105

a Predictors, (Constant), Improved administration skills, Level of education, Age, Gender, Improved sales skills, Approximate duration of employment, Improved written and spoken English skills, Improved computer usage skills (e.g. Office), Improved product knowledge, Improved business behaviour, Improved PC support skills, Improved customer service skills

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	98.641	12	8.220	7.301	.000(a)
	Residual	140.728	125	1.126		
	Total	239.370	137			

a Predictors, (Constant), Improved administration skills, Level of education, Age, Gender, Improved sales skills, Approximate duration of employment, Improved written and spoken English skills, Improved computer usage skills (e.g. Office), Improved product knowledge, Improved business behaviour, Improved PC support skills, Improved customer service skills

b Dependent Variable, How much learnt from working previous company

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	2.642	1.009		2.619	.010
	Age	-.026	.012	-.167	-2.217	.028
	Level of education	-.102	.184	-.043	-.556	.579
	Approximate duration of employment	.034	.065	.039	.517	.606
	Gender	.441	.245	.133	1.798	.075
	Improved written and spoken English skills	.329	.116	.232	2.826	.005
	Improved business behaviour	.437	.152	.281	2.867	.005
	Improved customer service skills	.194	.170	.124	1.142	.255
	Improved product knowledge	-.121	.132	-.077	-.920	.359
	Improved sales skills	.128	.118	.088	1.080	.282
	Improved computer usage skills (e.g. Office)	-.013	.127	-.009	-.101	.920
	Improved PC support skills	.250	.140	.169	1.788	.076
	Improved administration skills	-.195	.135	-.129	-1.442	.152

a Dependent Variable, How much learnt from working previous company

Figure 3: Regression model for factors that staff learn in retail

5.3.1 Dependent variable

The dependent variable was how much I learnt working at the previous company.

5.3.2 The independent variables

The number of independent variables used was twelve.

The independent variables used in the model were:

- Demographics : Age, Level of education and Gender
- Learning :Improved administration skills, Improved sales skills, approximate duration of employment, improved written and spoken English skills, improved computer usage skills (e.g. Office), improved product knowledge, improved business behaviour, Improved PC support skills, improved customer service skills

5.3.3 General

Excluding questionnaires with missing data, the N of the sample was 137. The minimum for a normal distribution is 30 therefore; this provides adequate degrees of freedom for statistical analysis.

The beta values could not be interpreted for the coefficients, as the independent variables were not standardised. This meant that the relative importance of each variable could not be determined. The signs in front of the values were used to interpret negative or positive correlations (Knauff, 2007, p. 47)

5.3.4 Result Findings

The R-square for the model was 0.412, which means that 41.2% of the variance in the learning factors of retail could be explained by the variables in the model. For this type of research, this is an acceptable r-square. In addition, the ANOVA model reflects a significance level of 0.000, which means that the model is very highly significant. The overall model is therefore accurately specified.

5.3.5 Significant factors

The variables that were highly significant in this analysis were improved written and spoken English skills and improved business behaviour. The significance for both these variables was 0.005; which is under 1% and therefore satisfies our definition of high significance. Age was also a significant variable in this model with a significance of 0.028. This is within the 1% to 5% definition of significant factors.

5.3.6 Marginally significant factors

The marginally significant factors from the model are gender and improved PC support skills. The significance levels of these variables were 0.0075 and 0.076 respectively. These variables were within the 5% to 10% range for marginally significant factors.

5.3.7 Non significant factors

The following variables improved administration skills, level of education, improved sales skills, approximate duration of employment, improved computer usage skills (e.g. Office), improved product knowledge and improved customer service skills were all above the 10% significance level and are therefore deemed as non significant when considering how much staff learned at their previous employer.

The interpretation of these findings is discussed in the next chapter

5.4 Which skills contribute to career advancement?

Figure 4 illustrates the model summary for the skills that contribute to career advancement.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.308(a)	.095	.049	.77480

a Predictors, (Constant), Improved administration skills, Level of education, Age, Improved written and spoken English skills, Approximate duration of employment, Improved customer service skills, Improved PC support skills

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.671	7	1.239	2.064	.051(a)
	Residual	82.842	138	.600		
	Total	91.514	145			

a Predictors, (Constant), Improved administration skills, Level of education, Age, Improved written and spoken English skills, Approximate duration of employment, Improved customer service skills, Improved PC support skills
b Dependent Variable, Career advancement

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t		Sig.
		B	Std. Error	Beta	B	Std. Error	
1	(Constant)	1.184	.569		2.083		.039
	Age	-.001	.008	-.013	-.148		.883
	Level of education	-.052	.121	-.035	-.425		.672
	Approximate duration of employment	-.072	.045	-.143	-1.605		.111
	Improved written and spoken English skills	-.090	.079	-.106	-1.144		.254
	Improved customer service skills	.123	.092	.131	1.345		.181
	Improved PC support skills	-.183	.090	-.206	-2.030		.044
	Improved administration skills	-.003	.096	-.004	-.036		.972

a Dependent Variable, Career advancement

Figure 4: Regression Model for career advancement

5.4.1 Dependent variable

The dependent variable was career advancement. This strict measurement only included employees that had moved to a higher position from their previous position. This excluded lateral career moves and movement within a category.

5.4.2 The independent variables

The number of independent variables used was seven.

The independent variables used in the model were:

- Demographics: level of education, age and approximate duration of employment.
- Learning: Improved administration skills, improved written and spoken English skills, improved customer service skills and improved PC support skills.

5.4.3 General

The N of the sample was 145. The minimum for a normal distribution is 30 therefore; this provides adequate degrees of freedom for statistical analysis.

The beta values could not be interpreted for the coefficients, as the independent variables were not standardised. This meant that the relative importance of each variable could not be determined. The signs in front of the values were used to interpret negative or positive correlations (Knauff, 2007, p. 47).

5.4.4 Result Findings

The R-square for the model was 0.049, which means that only 4.9% of the variance in the career advancement factors of retail could be explained by the variables in the model. This is acceptable for this type of research. The ANOVA model reflects a significance level of 0.051, which means that the model is marginally significant. The overall model can therefore be used.

5.4.5 Significant factors

Improved PC support skills were the only significant variable in this model with a significance of 0.044. Moreover, the negative sign, meaning that it did not contribute to advancement. This is within the 1% to 5% definition of significant factors.

5.4.6 Marginally significant factors

There were no marginally significant factors as per our definition in chapter four.

5.4.7 Non significant factors

The following variables: improved administration skills, level of education, age, improved written and spoken english skills, approximate duration of employment, improved customer service skills were above the 10% significance level and are therefore deemed as non significant when considering how these factors contribute to career advancement.

The interpretation of these findings is discussed in the next chapter.

5.5 Do people who chose to stay in retail differ to those that choose to leave in terms of learning?

Figure 5 illustrates the model for the independent samples t test done to answer the above question.

The following variables were tested: age, Level of education, approximate duration of employment, gender, would still like training on appropriate business behaviour, would still like training on customer service, would still like training on sales skills, would still like product knowledge training, would still like improved English skills, would still like computer usage skills, would still like PC support skills and would still like administrative skills.

Levene's test for equality of variance was used to determine the significance of these factors.

		Levene's Test for Equality of Variances		t-test for Equality of Means							
		F	Sig.	t	df	Sig. (2-tailed)		Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
		Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper
Age	Equal variances assumed	.815	.368	.611	143	.542		1.00947	1.65178	-2.25560	4.27454
	Equal variances not assumed			.649	57.531	.519		1.00947	1.55602	-2.10579	4.12473
Level of education	Equal variances assumed	1.454	.230	-.861	143	.391		-.09226	.10712	-.30400	.11948
	Equal variances not assumed			-.803	47.581	.426		-.09226	.11483	-.32319	.13866
Approximate duration of employment	Equal variances assumed	2.389	.124	.958	143	.340		.29652	.30944	-.31515	.90820
	Equal variances not assumed			1.237	86.785	.220		.29652	.23978	-.18009	.77314
Gender	Equal variances assumed	3.526	.062	-.882	143	.379		-.06629	.07514	-.21481	.08223
	Equal variances not assumed			-.967	60.846	.337		-.06629	.06857	-.20340	.07082
Would still like training on appropriate business behaviour	Equal variances assumed	1.551	.215	.519	123	.604		.07000	.13475	-.19674	.33674
	Equal variances not assumed			.401	29.117	.691		.07000	.17447	-.28677	.42677
Would still like training on customer service	Equal variances assumed	3.729	.056	.947	122	.345		.10047	.10608	-.10953	.31047
	Equal variances not assumed			.707	29.740	.485		.10047	.14220	-.19006	.39100

Figure 5: Independent samples t test for reasons for staying in retail

		Levene's Test for Equality of Variances		t-test for Equality of Means							
		F	Sig.	t	df	Sig. (2-tailed)		Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
		Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper
Would still like training on sales skills	Equal variances assumed	.383	.537	.250	122	.803	.04788	.19161	-.33143	.42720	
	Equal variances not assumed			.235	36.511	.815	.04788	.20356	-.36475	.46051	
Would still like product knowledge training	Equal variances assumed	1.230	.270	-.553	121	.581	-.10666	.19295	-.48866	.27534	
	Equal variances not assumed			-.647	50.840	.520	-.10666	.16476	-.43746	.22414	
Would still like improved English skills	Equal variances assumed	11.265	.001	1.535	123	.127	.33061	.21542	-.09580	.75703	
	Equal variances not assumed			1.143	29.687	.262	.33061	.28934	-.26056	.92179	
Would still like computer usage skills	Equal variances assumed	11.470	.001	1.845	123	.067	.31430	.17037	-.02294	.65153	
	Equal variances not assumed			1.390	29.923	.175	.31430	.22613	-.14758	.77617	
Would still like PC support skills	Equal variances assumed	.380	.539	-.485	121	.629	-.10745	.22168	-.54634	.33143	
	Equal variances not assumed			-.480	38.946	.634	-.10745	.22391	-.56038	.34547	
Would still like administrative skills	Equal variances assumed	.297	.587	.045	123	.964	.00894	.19707	-.38115	.39902	
	Equal variances not assumed			.040	33.724	.969	.00894	.22545	-.44937	.46724	

Figure 5: Independent samples t test for reasons for staying in retail

5.5.1 Significant factors

The two variables that came out as highly significant are would still like improved English skills and would still like computer usage skills. Both had a significance of 0.001, which by our definition in chapter four is less than 1% and is therefore highly significant. This means that people who want to stay in retail are significantly different from people who wish to leave the industry in terms of learning interventions.

5.5.2 Marginally significant factors

The two variables that come out as marginally significant are gender and would still like training on customer service. The significance was 0.062 and 0.056 respectively, which falls between the 5% to 10% range for marginal significance as per our definition in chapter four. Gender was negatively correlated which means that this is marginally significant for former female employees. This means that people who want to stay in retail are different to those who leave in terms of gender and further customer service training.

5.5.3 Non significant factors

The following factors: age, Level of education, approximate duration of employment, would still like training on appropriate business behaviour, would still like training on sales skills, would still like product knowledge training, would still like PC support skills and would still like administrative skills were above the 10% level of significance and as such are deemed non significant as per our definition in chapter four.

The interpretation of these findings is discussed in the next chapter.

CHAPTER 6 DISCUSSION

6.1 Introduction

The following section combines the results from the previous section together with the literature review presented in chapter two to give an interpretation and understanding of the results produced. The discussion is structured under the headings of the four research questions proposed in chapter three to show how the results and literature review match the research questions. The discussion focuses on the important factors, as the non-significant factors require little or no interpretation with reference to the research questions.

6.2 What factors make staff enjoy retail?

The data from figure 2 shows that management improving in the new vocation is very important. It is negatively correlated with how much staff enjoyed working in previous company. This implies that the staff are finding their new management much better than the management in the previous company. The approximate duration of employment and staff facilities showed as important data on Figure 2 and was positively correlated with how much staff enjoyed working in the previous company. The working hours at the previous company and the staffing levels at the previous company were all positively correlated with how much staff enjoyed working at the previous company and will be discussed further.

The findings of this research question are consistent with the findings of Hendrie (2004) and the views expressed by Hart *et al.* (2007); Booth and Hamer (2007) and Broadridge (2002). However, a factor such as working under pressure, which was significant in Hendrie's study, proved to be non-significant in the current study. The role of management is a complex issue and the work of Rowold (2007), Kappia *et al.* (2007) and Buick and Muthu (1997) is relevant when discussing the findings. The work of Rousseau (2004) would be used to explain the approximate duration of employment.

Management

The study is limited in that it asked for a single view on management but did not explore further which areas of management was seen as favourable in the new job. There are many areas of management that include people management, sales management, training and the personality of the manager itself, which could influence the view expressed. Therefore, it is important to acknowledge that the perceptions of management could extend beyond the scope of the present study and this is listed as a limitation to the research. However, the following discussion will put into context a view based on the literature review conducted.

There are several reasons for management being seen as very important in the results. The first being quite simply bad managers that treat staff poorly and offer very little communication and training. The senior management of Company H can address this issue by doing employee climate surveys and using these to identify management issues. These issues can then be addressed and amicable solutions found.

The second reason is that management fail to acknowledge staff (Hendrie, 2004) and their aspirations (Rowold, 2007). Kappia *et al.* (2007) state that is important to address career paths that is amicable with the employee's motives and orientation. The recommendation to Company H to address this will be to have formal regular performance and career discussions. Company H's managers should engage with employees regardless of their entry level with career development discussions. They should show the entire spectrum of careers that are available and not what the next step is up from the incumbent's current position. This may show the staff careers that they may find compatible with their current aspirations.

There needs to be a shift in attitudes as expressed by Buick and Muthu (1997) where managers need to start seeing training and development as an essential part of profitability. If managers adopt the view that financial performance is a lag indicator of staff performance then training becomes an everyday priority. However, the training must not be structured to forefill only the company's aims but should also meet the employee's expectations. The findings could show that the training aspect of management has improved in their current jobs.

On a positive note, staffing levels and working hours are seen as slightly important. This is a management competency and Company H should build on this as former staff view these favourably.

Staff facilities

Staff facilities are seen as an important factor in the study and are stated by Hendrie (2004) as important turnover factor. The role of a sales assistant is characterised by multiple customer interactions, which requires the full attention of the employee so that a customer can be afforded good service. The break periods are important to rest, relax and prepare for the next session. It is therefore very important that the staff facilitates provide an environment that allows staff to rest and re-energise themselves. The data shows that Company H provides adequate staff facilities and this is regarded as a significant favourable factor by previous employees.

Approximate duration of employment

The data shows that the approximate duration of employment is seen as an important factor that is positively correlated with the stay at Company H. This is contradictory in that if you enjoyed your duration of employment why then why would you leave. This contradiction is best explained through the psychological contract (Rousseau, 2004). The data suggests that a transactional relationship (Rousseau, 2004) is found amongst the former employees. They seem to have entered Company H with fixed goals and once these goals were achieved, they subsequently left. This explains the approximate duration of employment being

an important factor that is positively correlated with the factors that they enjoy at Company H. The recommendation to deal with this is discussed later in this chapter.

Concluding the issue of the factors that staff enjoy in retail, the following was found. Former staff find approximate duration of employment, staff facilities, working hours and staffing level favourable at Company H. The latter three factors are within the locus of control management and shows that Company H generally provides a good working environment for its employees. The duration of employment shows that Company H has an enjoyable work environment but there are other factors that lead to turnover. A transactional relationship best describes this result.

The view that management was better in the new company is a complex one to interpret. However, from a training and career perspective it is recommended that all staff irrespective of the entry level should be exposed to formal career discussions and the entire spectrum of careers that Company H offers in all its operations. This may show employees careers that match their aspirations. The areas of management that the staff enjoys needs further clarity and are an opportunity for further research. The next research question addresses the training theme and this will be discussed further.

6.3 What are the factors that staff learn in retail?

The factors that were very important were written and spoken English and improved business behaviour that were positively correlated with learning in retail. Age was found to be an important factor that was negatively correlated with learning in retail. This implies that the younger you are the more learning takes place. Gender and improved PC skills, were positively correlated with learning in retail and showed as slightly important factors.

The above findings are consistent with the work of Jacobs and Roodt (2007) and Heyes (2007). The findings acknowledge the work of Kenny (2007) and Klemz *et al.* (2006) but specifically it supports the findings of Leonard and Levine (2006).

Written and spoken English

These significant factors must be seen in the light of the South African context described by Kenny (2007) and Klemz *et al.* (2006). Apartheid saw races excluded and often educated in their own languages. This manifests itself as a potential problem in the customer and sales consultant interaction where English is the preferred medium of most businesses. Communication comes at a premium for both black and white staff that did not have English as a first language. The former staff did not view this as an impediment but as an opportunity to increase their employment value (Jacobs and Roodt, 2007) and therefore took a keen interest in learning written and spoken English. It is therefore no surprise that written and spoken English is a highly significant

learning factor in the South African context. This supports the work of Leonard and Levine (2006) and shows that diversity does not distract from the learning interventions that are seen as important by former staff. If anything the data is showing a convergence when it comes to learning. The recommendations to Company H are to embrace this and offer language courses as part of its training programs.

Improved business behaviour

This factor was also very important and it speaks to the value that improved business behaviour can add to an individual's career (Jacobs and Roodt, 2007). Learning the correct business behaviour is an important step for a staff member to take as it teaches the staff member the accepted business behaviour that gains respect from superiors. It also helps the staff member to recognise and participate in behaviours that are perceived as positive and will increase the chances of promotion or recognition. It is also a useful tool to use in interviews as it shows the prospective employer that the individual has the necessary business values and ethics.

Gender

The data shows that gender is positively correlated to learning in retail. Male staff here shows a positive response to learning. This can be expected, as males outnumber females in Company H.

Age

The data supports the finding of Heyes (2007) as it shows that younger staff are more eager to learn than older staff. Many organisations reserve higher training interventions for older staff as a reward for loyalty. These older staff members are already in a relational psychological contract and do not need higher training interventions as a token of appreciation but for self-development. The younger and newer staffs often are often exposed to entry level training that they quickly assimilate and find no further challenges. Management often fail to realise that younger staff require stimulation.

The recommendation arising from this is that firstly Company H should provide a list of all the training courses they currently run to a new employee. Further to this, they should map the career paths within the organisations that these training courses can facilitate. This maybe overwhelming but this would help the young employee to see career opportunities that compliment his/her career aspirations. A further recommendation is that younger staff needs to be exposed to a mixture of entry level training and specialised training to keep them occupied. This will to a degree detract them from the transactional contract that they initially use to enter the business. The issue of the mix of training interventions; the age of employees and its effect on turnover requires further research in the retail industry.

PC skills

Improved PC skills is an important learning factor. Staff who had no previous computer training at school would naturally be inclined to develop these skills as the face of retail is dominated by computers and is a non negotiable for any job today. The improved PC skills would enable greater access to information and knowledge that is mainly computer based.

Concluding the issue of what staff learn in retail, the results paint a picture of a young individual who learnt the appropriate business behaviour and simultaneously learnt the appropriate spoken and written English to communicate this behaviour. The individual further benefited from learning PC skills so that this could be reproduced professionally on a job application. The data shows that there is an intentional and logical learning pattern that is an enabler for career advancement. This section also recommends further study into the mixture of training interventions needed to decrease staff turnover of younger staff.

6.4 Which skills contribute to career advancement?

The only important finding in this analysis was improved PC support skills were negatively correlated to career advancement.

The findings of this analysis support the work of Mobley (1982); Shittu and Omar (2006); Hart *et al.* (2007); Broadridge (2003) and Jacobs and Roodt (2007).

The above findings must be seen in the context of the previous research question. The previous data shows a process where initially communication and business skills are learnt and PC skills are seen as slightly important (research question 3). Once the former two skills are mastered then the next step is to improve the PC usage skills, which now moves from a slightly important factor to an important factor for career advancement. This process agrees with Mobley (1982) and shows that the turnover process is dynamic and staff are at different levels of engagement and disengagement. These levels are dependant on which stage of learning they are currently in.

The importance of improved PC usage skills serves two purposes. Firstly, it adds value to the staff member's market value and bargaining power (Jacobs and Roodt, 2007). It allows the staff to enter other industries where PC literacy is a pre-requisite. It also allows staff to leave an industry that has a poor perception (Broadridge, 2003; Hart *et al.* 2007 and Shittu and Omar, 2006). However, the data in this study shows a negative correlation which means that

either the expectations of PC usage in the new job have not been met or possibly, there is a lateral learning activity from the previous job.

In concluding this discussion on factors which are important for career advancement, the findings clearly shows that PC usage skills is a secondary learning activity in retail and is considered significant for career advancement. It also adds value to the staff's marketability and could be used to exit retail, which has a poor perception. However, in this study it is negatively correlated to career advancement. This is counter intuitive and requires further research. The recommendation to Company H is to find what are the aspects and components of PC usage that is deemed important by staff and do these skills enable progression to other career paths within Company H. The recurring theme in the last three sections is skills, and how skills can be developed to compliment career paths within the company must be exposed to the employee.

6.5 Do people who chose to stay in retail differ to those that choose to leave in terms of learning?

English Skills and computer usage skills are the two very important factors that show why staff remain in retail as opposed to those that leave retail completely. Gender and customer training skills came out as slightly important factors in this analysis. The above findings are consistent with the work of Jacobs and Roodt (2007) and Heyes (2007). The findings acknowledge the work of Kenny (2007) and Klemz *et al.* (2006) but it supports the findings of Leonard and Levine (2006). The findings also support the findings of Shittu and Omar (2006); Hart *et al.* (2007) and Broadridge (2003). The final research question shows the relevance of Mobley (1982).

English and Computer usage skills

The data for this research questions is similar to the results for the previous two research questions. The data here shows that staffs that remain still want to improve English (research question two findings) and computer usage skills (research question three findings). The role of English and its impact on diversity was discussed in light of the work of Kenny (2007), Klemz *et al.* (2006) and Leonard and Levine (2006) in research question two and will not be repeated in this section. This shows that communications skills are an important learning variable in retail.

The issue of computer usage was covered in research question three and referred back to the work of Shittu and Omar (2006); Hart *et al.* (2007); Broadridge (2003) and Jacobs and Roodt (2007). The important issue here is that computer usage is a key learning factor and is considered important for staff that choose to remain in retail as opposed to those that leave the sector completely. In this instance, it is positively correlated to the decision to remain in retail. This means that employees are finding themselves wanting to learn more about PC usage if they chose to stay in retail. This is in agreement with research question two that shows PC usage as a slightly important learning factor. It is also contradictory to the previous research question where a negative correlation exists. Therefore, the data shows that PC usage is important to learn in retail, negatively associated with career advancement but is very important if the person chooses to stay in retail.

Once again, this is in agreement with Mobley (1982) that shows turnover as a process. Here the staff that chose to remain in retail is still in the process of learning and empowering themselves. The challenge here is to identify where they are with their training and expose them to the full spectrum of career opportunities within the company.

Gender and Customer service training skills

The issue of gender also appeared in research question two where it was discussed that this is positively correlated with male staff wanting to learn in retail. However, in this analysis the data shows a negative correlation which means that it is an important factor for female staff that remain in retail as opposed to staff that leave the sector completely. This can be best explained by female staff finding meaningful careers within the retail sector and therefore it becomes a slightly important factor. Finally wanting customer service training skills is a natural ask for staff that remain in retail as this sharpens their skills and makes them more effective as salespeople.

The factors that influence people to stay in retail in terms of learning are complimentary to the factors that they learn in retail and the factors that they consider important for career advancement. These factors are English and PC usage. For the staff that remains in retail issues of gender and further customer training are also important. Males see the training in retail as an important factor whilst females see making retail a career as an important factor. Finally, customer service training will improve their effectiveness as salespeople.

6.6 Conclusion

The research questions looked at four interrelated issues. It first examined the issues staff enjoyed about retail and thereafter looked at what they learnt in retail, which was followed by what are the learning factors that they considered important for career advancement. The final research question tied up the previous three research questions by comparing what are the learning differences between staff that chose to stay in retail as opposed to those staff that left retail.

The factors that staff enjoy in Company H are the working hours, staff facilities, duration of employment staffing levels. These showed favourable management intentions on the part of Company H. The issue of management was negatively correlated with enjoyment factors and this was discussed from a learning perspective. The recommendation being that the issue of management needs further research, but from a learning perspective, managers should expose employees to the full career spectrum and see training as a pre-condition to achieving financial goals.

Table 3 summarises the significant factors of learning for the last three research questions and rates them according to their significance.

Factors that were significant in the results	What I learn in retail	career advancement	Why I Stay in retail
Written and spoken English	***	0	***
Improved PC skills	*	**	***
Business behaviour	***	0	0
Age	**	0	0
Gender	*	0	*
Customer service training	0	0	*

Key: very important=***; important = **; slightly important = *; not important= 0

Table 3: Ranking of the significant factors to the research questions

Table 3 shows that written and spoken English are very important in the learning stage and in the intention to stay in retail.

It is jointly rated together with improved PC skills as the most important factors in learning. PC skills clearly shows how it moves up the ladder of significance from being slightly important in the learning stage to being important in the career advancement stage until it finally becomes a very important factor for the decision to remain in retail.

Business behaviour is seen as very important only in the learning phase of retail. Once these skills are learnt they no longer become significant.

Gender appears to be slightly important in both the learning phase and the intention to remain in retail phase. Male staff feature in the initial training issues of retail whilst females see the training interventions as important only after they chose to remain in retail.

The customer service training appears to be marginally significant in the intention to remain in retail. This is interesting as it is an entry-level course that is mandatory for all sales staff yet it only appears to be significant when they intend to stay. This re-enforces the work of where this displays a transactional psychological contract (Rousseau, 2004). More importantly, it re-iterates the work of Rowold (2007) that staff will only be highly motivated to participate in training interventions that support their career goals. Therefore, we are finding entry-level training being significant only after the decision to stay has been made.

Figure 6 shows the relationship between the learning interventions and staff turnover.

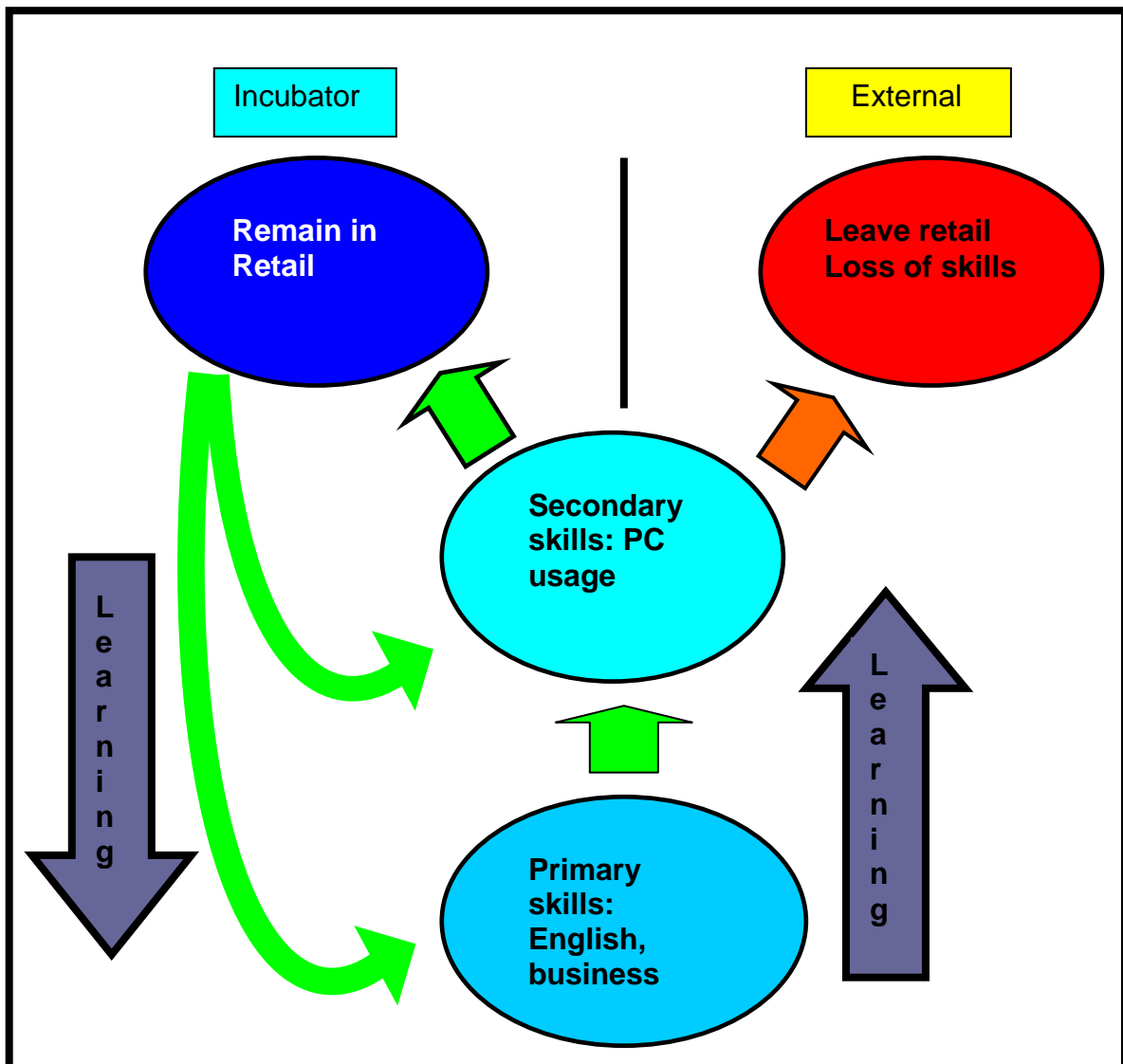


Figure 6: A model of retail staff turnover and learning interventions

It is clear from the above discussion that former employees use retail to gain skills. Basic business skills and written and spoken English are primary skills that they learn whilst PC usage and PC skills are secondary skills that are significant for career advancement. Once the decision is made to remain in retail the primary and secondary skills are revisited to strengthen their knowledge. The model also reflects that once they have mastered the appropriate skills they could leave the retail industry. This however needs to be managed. The implications for further research are discussed in the next chapter.

CHAPTER 7 CONCLUSION

7.1 Introduction

This section revisits the work from chapter 1 and chapter 3. The theoretical insights are highlighted, the recommendations for Company H are listed, and future areas of research, based on the current study, are outlined.

7.2 The expectations of the study

Chapter 1 highlighted the aims of the research as:

- understanding why staff leave the hardware retail industry
- looking at the factors that contribute to staff turnover
- exploring what skills are seen as important by staff
- seeing if there was an association between what staff learnt and their turnover intentions.

The research questions addressed these by investigating factors that staff enjoy about retail and looked at:

- what they learnt in retail
- asked what was important for career advancement
- finally reviewed what were important learning factors for staff that chose to stay in retail.

7.2 Summary of study

The study investigated a sample of 411 employees of Company H and a 42% response rate was achieved. The key findings of the research are that staff facilities, working hours, staffing levels and duration of employment were enjoyable factors at Company H. The sample did however indicate that their current management was better than the management at Company H. This needs further investigation on what factors of management have improved.

The major part of the study looked at what staff learnt in retail, what they considered to be important for career advancement and if they stayed in retail what are the learning factors that are important to them. Written and spoken English together with PC usage skills were rated as the most important learning factors followed by business behaviour, demographics and customer service training.

The study is relevant to the work of Mobley (1982) where learning in retail in a dynamic process that changes with time and gender as one moved from primary training to the decision to remain in retail. The impact of this is that a transactional psychological contract (Rousseau, 2004) exists in the early part of the careers of former staff but this moves to a relational psychological contract (Rousseau, 2004) once the decision is made to remain in retail. The effect of the latter decision sees former staff revisiting primary and secondary learning interventions. Diversity does not matter in this study and this is relevant to the work of Leonard and Levine (2006).

Finally, a detailed model was proposed to understand the flow of learning with regards to turnover intentions. There appears to be an intentional pattern of learning by staff that is associated with the subsequent voluntary turnover experienced by Company H. The study suggests that the retail sector is an incubator for skills training that is used to achieve career aspirations that may be used in the retail sector or in other sectors of the economy. The next part of the conclusion makes recommendations to Company H.

7.4 Recommendations to Company H

The following are recommendations based on the literature review and findings of the study. The first step is to understand if their employees see retail as a career destination or as a stepping-stone to other industries. The results of this would be used to introduce a mixture of training interventions that comprises of three parts. The first part would be a universal training program applicable to all staff, the second part would cater for staff who want to use the industry as a stepping-stone and the last part should cater for those career-minded staff.

There is no doubt that an internal marketing exercise needs to highlight the full menu of training available and the full spectrum of careers available within Company H. This needs to be followed by formal career discussions and career counselling sessions.

The final recommendation will be to do employee and management climate survey to address the negative perceptions of management that may be present in Company H. the following section looks at future areas of research arising from the current study.

7.5 Future areas of research

This research has uncovered rich and complex processes that drive turnover in retail. Consequently, it opens a range of areas for future research. The current study did not explore fully which areas of management are seen as negative. The recommendation is that the same principles of the current study are used to investigate the perceptions of management and training in the hardware retail industry and its effect on staff turnover.

The current study showed that the orthodox approach of entry level training for new staff is no longer valid. A study needs to be done to understand what combinations of training interventions are needed to reduce staff turnover. This is more relevant as PC usage skills was seen as negative for career advancement but positive for training and the decision to remain in retail.

The opportunity exists to study current employees in other sectors of the economy such as banking and manufacturing and analyse their earlier employment to get an understanding if they had any exposure to retail in their earlier years and how this has influenced their career paths. The study should focus on how past employment and learning initiatives helped them reach their current employment status.

The current study only looked at turnover in one company in the hardware retail industry and cannot be used to generalise the state of the retail industry in South Africa. This should be taken and expanded to all the other retail players in South Africa to gain an understanding of the retail industry as a whole, e.g. food retailers, clothing retailers and motor vehicle retailers.

The current study looked at turnover from staff that voluntarily resigned. The study however did not investigate how the employer perceived this turnover. The employee could have resigned just prior to a final disciplinary action been taken against them. In this instance, the turnover would have been perceived as favourable as an under-performing employee has exited the business. If an employee with no performance issues resigns then this must be seen as “bad” turnover. Therefore, future studies should include a comment by the employer, which sees that the employees are grouped as either “good” turnover or “bad” turnover. The responses from former employees should be balanced against the employer’s ratings to gain further insight on views expressed in the interviews.

7.5 Conclusion

This study has highlighted the rich and complex learning interactions that determine turnover intentions in a retail company. It further expands on current views on staff turnover in retail and shows that reverse learning traits manifest themselves once staff decide to remain in retail. The methodology is well balanced and can be used, in all sectors of retail globally, to gain a view of factors that drive turnover in a retail environment. Staff turnover in retail offers an array of research opportunities that should be explored further.

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Appendices

Appendix 1, Questionnaire

You have been contacted to complete the survey because you have worked for Company H in the past.

Retail as an industry has a high turnover, and some of the reasons for the high turnover are positive. E.g., sometimes employees find better career options. However, some of the reasons for the turnover are negative, e.g. when people leave because they are not properly managed or trained.

The Business School of the University of Pretoria, GIBS, is trying to understand why people leave jobs in retail, and to what types of jobs, they move to. Your participation in this study will give us the insights we need to help people in the future find the careers they want.

Your participation is voluntary and you can withdraw at any time without penalty. Of course, all data will be kept confidential. By completing this survey, you indicate that you voluntarily participate in this research. If you have, any concerns please feel free to contact me or my supervisor. Our details are provided below.

Researcher	Vishnu Vather	Researcher	Dr. Helena Barnard
		supervisor	
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Phone	0825624594	Phone	011-7714000

Please tick which box is appropriate

Previous position at Company H	Sales	HOD	Administration	Manager	
Position in your new job	Sales	HOD	Administration	Manager	Other – please explain
Industry in which you are now working	Retail – Working for another hardware organisation (e.g. Mica)		Construction – Working for another organisation		Supplier to Builder's Warehouse
	Retail – Working for another non-hardware organisation (e.g. Shoprite)		Construction – Working for myself		Retail – Working for myself
	Other - please explain				
Estimated number of people at your current job	less than 3 people	3 – 15 people	16 – 100 people	100 – 500 people	more than 500 people
What are your medium-term (about 5 years) career goals?	To advance in your current organisation		To leave your current organisation but advance in the same industry		To move to a different industry – please explain what you would like to do

Looking back at your time at Company H:

How much did you enjoy working there?

Very much	Not so much	neutral	little	Very little
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How much did you learn at from working there?

A lot	Fair amount	neutral	little	Very little
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Think back to your time at Company H. What skills do you believe you acquired there – either through training offered by Company H, or through experience on the job?

Skill	How much I learned			How I learned	
	Learned a huge amount	Learned a bit	Did not really learn much	Training	Own experience on the job
Written and spoken English	Learned a huge amount	Learned a bit	Did not really learn much	Training	Own experience on the job
Appropriate <u>business</u> <u>behaviour</u> (e.g. dress, time keeping etc.)	Learned a huge amount	Learned a bit	Did not really learn much	Training	Own experience on the job
<u>Customer service</u> skills (e.g. conflict handling)	Learned a huge amount	Learned a bit	Did not really learn much	Training	Own experience on the job
<u>Product</u> training eg how to use a drill	Learned a huge amount	Learned a bit	Did not really learn much	Training	Own experience on the job
<u>Advanced sales</u> skills (e.g. negotiating prices)	Learned a huge amount	Learned a bit	Did not really learn much	Training	Own experience on the job
<u>Computer using</u> skills (e.g. Word, Excel programmes)	Learned a huge amount	Learned a bit	Did not really learn much	Training	Own experience on the job
<u>Computer support</u> skills (e.g. SAP)	Learned a huge amount	Learned a bit	Did not really learn much	Training	Own experience on the job
<u>Administration</u> skills (e.g. filing, receptionist)	Learned a huge amount	Learned a bit	Did not really learn much	Training	Own experience on the job

We are all constantly trying to improve ourselves. What kind of training and/or experience do you **STILL WANT that you believe will help you achieve your career goals?**

Written and spoken English	Very important	Somewhat important	Not really important	Not at all important
Appropriate <u>business behaviour</u> (e.g. dress, time keeping etc.)	Very important	Somewhat important	Not really important	Not at all important
<u>Customer service skills</u> (e.g. conflict handling)	Very important	Somewhat important	Not really important	Not at all important
Advanced <u>sales skills</u> (e.g. negotiating prices)	Very important	Somewhat important	Not really important	Not at all important
<u>Product training skills</u>	Very important	Somewhat important	Not really important	Not at all important
Computer <u>using skills</u> (e.g. Word, Excel programmes)	Very important	Somewhat important	Not really important	Not at all important
Computer <u>support skills</u> (e.g. SAP)	Very important	Somewhat important	Not really important	Not at all important
<u>Administration skills</u> (e.g. filing, receptionist)	Very important	Somewhat important	Not really important	Not at all important
Other, please explain				

We often change jobs because we hope for better employment conditions. Have your hopes been realised?

Compare your <u>current income</u> with your income at Company H	A lot better than before	A bit better than before	More or less the same as before	A bit worse than before	A lot worse than before
Compare your <u>benefits</u> (medical aid & pension) at your current job with those at Company H	A lot better than before	A bit better than before	More or less the same as before	A bit worse than before	A lot worse than before
Compare your <u>working hours</u> at your current job with those at Company H	A lot better than before	A bit better than before	More or less the same as before	A bit worse than before	A lot worse than before
Compare your <u>management</u> at your current job with those of Company H	A lot better than before	A bit better than before	More or less the same as before	A bit worse than before	A lot worse than before
Compare your <u>team</u> at your current job with those of Company H	A lot better than before	A bit better than before	More or less the same as before	A bit worse than before	A lot worse than before
Compare your <u>training</u> at your current job with that of Company H	A lot better than before	A bit better than before	More or less the same as before	A bit worse than before	A lot worse than before

How did you experience Company H in terms of the following options?

working hours	Excellent environment	Good environment	neutral	Room for improvement	Bad environment
salary scales	Excellent environment	Good environment	neutral	Room for improvement	Bad environment
Staff facilities :canteen, uniform	Excellent environment	Good environment	neutral	Room for improvement	Bad environment
leave options	Excellent environment	Good environment	neutral	Room for improvement	Bad environment
Staffing levels	Excellent environment	Good environment	neutral	Room for improvement	Bad environment
Working under pressure	Excellent environment	Good environment	neutral	Room for improvement	Bad environment
training interventions	Excellent environment	Good environment	neutral	Room for improvement	Bad environment
Having regular career discussions	Excellent environment	Good environment	neutral	Room for improvement	Bad environment

Thank you for taking part in this research.

Appendix 2: Telephonic interview guideline

“Good Day Mr. / Mrs. (Name)”

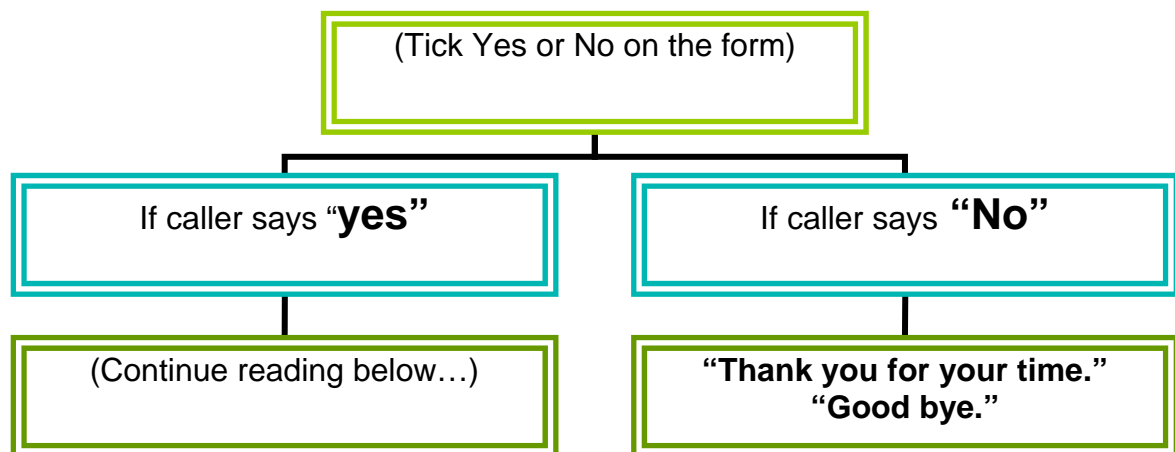
(Please indicate on page if person is Mr. / Mrs.)

“My name is (Your name), I am calling from the University of Pretoria. “

“We are doing a survey because we are trying to understand why people are leaving the retail industry. “

“You are being contacted because you have worked for Company H in the past.”

“This survey will take a few minutes of your time, would you like to participate in this survey?”



“Most of the questions that I will be asking you are multiple choice questions; I will be giving you the various options, ok?”

(Start with questions on form)