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

by

WILMIEN ANDREA SMIT

Submitted in partial fulfilment for the degree

MAGISTER COMMERCI
(Industrial Psychology)

in the

FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES

at the

UNIVERSITY OF PRETORIA

Supervisor: Prof K Stanz

PRETORIA

SEPTEMBER 2013
ABSTRACT

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

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

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

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

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

Main findings: The results showed that performance management and remuneration are considered to be the most important retention factors among multi-generation groups. The
study revealed Cronbach Alpha’s of 0.82, 0.92 and 0.95 for the total reward scale, SPOS and SoPSs respectively.

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

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

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

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

**Keywords:** talent, retention preferences, multi-generations, total rewards model, perceived organisational support, perceived supervisor support.
DECLARATION OF ORIGINAL AUTHORSHIP

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

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

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

Wilmien Smit                                      Date: 30 September 2013

______________________________
Signature
# TABLE OF CONTENTS

**CHAPTER 1: INTRODUCTION AND BACKGROUND** ................................. 1  
 1.1 INTRODUCTION .............................................................................. 1  
 1.2 BACKGROUND ............................................................................. 1  
 1.3 PROBLEM STATEMENT ................................................................. 4  
 1.4 PURPOSE STATEMENT ................................................................. 6  
 1.5 RESEARCH OBJECTIVES .............................................................. 6  
 1.6 ACADEMIC VALUE AND CONTRIBUTION OF THE PROPOSED STUDY 8  
 1.7 DELIMITATIONS ......................................................................... 8  
 1.8 ASSUMPTIONS ............................................................................ 9  
 1.9 DEFINITION OF KEY TERMS ...................................................... 9  
 1.10 AN OUTLINE OF THE REMAINING CHAPTERS ....................... 11  
 1.11 CONCLUSION ........................................................................... 12  

**CHAPTER 2: LITERATURE REVIEW** .................................................. 13  
 2.1 INTRODUCTION ............................................................................ 13  
 2.2 PROACTIVE TALENT MANAGEMENT ........................................... 13  
 2.3 PREFERENCES ............................................................................. 16  
    2.3.1 Reward Preferences ............................................................. 17  
 2.4 REWARDS AND RETENTION ....................................................... 19  
    2.4.1 The Components of Remuneration ...................................... 20  
    2.4.2 Total Rewards Systems ....................................................... 22  
    2.4.3 The WorldatWork’s Total Reward Model ......................... 26  
    2.4.4 The Armstrong and Brown Total Reward Model ............... 27  
    2.4.5 Zingheim and Schuster’s Total reward Model ................. 27  
    2.4.6 The Towers Perrin Total Reward Model ......................... 28  
    2.4.7 Corporate Leadership Council Components of Total Rewards 29  
    2.4.8 Armstrong and Thompson Total Reward Model ............. 30  

© University of Pretoria
2.4.9 AON HEWITT’S REWARD MODEL ............................................................. 31

2.5 DEFINING A MULTI-GENERATION WORKFORCE ........................................... 32
  2.5.1 Outlining a Generation ................................................................................. 32
  2.5.2 The Four Main Generations ......................................................................... 34

2.6 GENERATIONAL INFLUENCES ON REWARD ............................................. 38

2.7 DEMOGRAPHICAL INFLUENCES ON REWARD ............................................ 39

2.8 PERCEIVED ORGANISATIONAL SUPPORT (POS) ....................................... 40
  2.8.1 POS Theory .................................................................................................. 40
  2.8.2 POS and Total Reward ................................................................................ 42

2.9 PERCEIVED SUPERVISOR SUPPORT .......................................................... 42
  2.9.1 PSS and Total Reward ................................................................................. 42
  2.9.2 Perceived Supervisor Support and Total Reward ......................................... 43

2.10 INTEGRATED CONCEPTUAL MODEL ......................................................... 44

2.11 CONCLUSION ................................................................................................. 45

3 CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY ................................. 46

3.1 INTRODUCTION ............................................................................................... 46

3.2 DESCRIPTION OF INQUIRY STRATEGY AND BOARD RESEARCH DESIGN ........................................................................................................... 46
  3.2.1 Characteristics of Study ................................................................................. 47

3.3 RESEARCH METHOD ....................................................................................... 48
  3.3.1 Target Population .......................................................................................... 48
  3.3.2 Units of Analysis .......................................................................................... 48
  3.3.3 Sampling Method for Choosing Respondents .............................................. 49
  3.3.4 Sample Size ............................................................................................... 49
  3.3.5 Sample Statistics ......................................................................................... 50
  3.3.6 Data Collection ............................................................................................ 53
  3.3.7 Self-administered Questionnaires ............................................................... 54
  3.3.8 Measuring Instruments ............................................................................... 55

3.4 RESEARCH PROCEDURE ............................................................................... 59
LIST OF TABLES

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

© University of Pretoria
Table 29: ANOVA table for race and POS .................................................................89
Table 30: Dunnett comparison between race and POS ............................................89
Table 31: ANOVA table for race and PSS .................................................................89
Table 32: Dunnett comparison between race and PSS ............................................90
Table 33: ANOVA table for industry and Total Reward component ......................90
Table 34: Dunnett comparison for industry and communication work enabler .......91
Table 35: Dunnett comparison between industry and work-life balance ...............91
Table 36: ANOVA table for industry and POS .........................................................92
Table 37: ANOVA table for industry and PSS ..........................................................92
Table 38: Dunnett comparison between industry and POS ....................................92
Table 39: Dunnett comparison between industry and PSS ....................................93
Table 40: ANOVA table for job level and Total Rewards components ....................93
Table 41: Dunnett comparison between job level and Communication work enabler ......94
Table 42: Dunnett comparison between job level and life convenience .....................95
Table 43: Dunnett comparison between job level and life convenience .................95
Table 44: ANOVA table for job level and POS .........................................................96
Table 45: Dunnett comparison between job level and POS ....................................96
Table 46: Independent sample test for work-life balance .......................................97
Table 47: Independent sample test performance management ..................................98
Table 48: Independent sample test table for development and career opportunities ....99
Table 49: Race and job level recoded groups .........................................................100
Table 50: Regression analysis- Total Rewards components, race and POS ..........100
Table 51: Regression analysis- Total Rewards components, race and PSS ..........101
Table 52: Regression analysis- Total Rewards components, job level and POS ......101
Table 53: Correlation table between Total reward, POS and PSS .......................104
Table 54: Correlation table between Total reward subscales, POS and PSS ..........104

LIST OF FIGURES

Figure 1: South Africa workforce composition in terms of age ...............................4
Figure 2: Main Components of remuneration .........................................................21
Figure 3: The Elements of Total Reward ...............................................................25
Figure 4: The WorkatWork Total Rewards Model ...............................................26
Figure 5: The Towers Perrin Total Reward Model ........................................................... 29
Figure 6: Armstrong and Thompson Total Rewards Model .............................................. 31
Figure 7: Aon Hewitt Model of Rewards ........................................................................... 31
Figure 8: Integrated conceptual model ............................................................................. 44
Figure 9: Level of importance versus current utilisation for compensation ....................... 80
Figure 10: Level of importance versus current utilisation for benefits ................................. 81
Figure 11: Level of importance versus current utilisation for work-life balance ................. 82
Figure 12: Level of importance versus current utilisation for performance management ... 83
Figure 13: Level of importance versus current utilisation for development and career opportunities ..................................................................................................... 84
Figure 14: Integrated Conceptual Model .......................................................................... 116

APPENDICES

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

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

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

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

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

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

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

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

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

**Family and friends**, who supported me throughout the research, thank you for your patience and understanding. I could not have asked for a better support system and safety net. I believe you are truly hand-picked by God.
CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

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

Gross and Friedman, 2004

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

1.2 BACKGROUND

Some of the main challenges that organisations, especially South African organisations, are confronted with are skill scarcity as well as reducing turnover of talented employees (Ashton & Morton, 2005; Ready & Conger, 2007; Robert & Borgenson, 2006). Kerry-Phillips and Thomas (2009, p.1) recorded that South Africa is undergoing an overall skill-
difficulty denoting to the recruitment of its leading talent or otherwise stated as “knowledge” employees. These knowledge employees could be perceived to be the key talent or upcoming talent in the organisation. The search for proficient employees, talent and intellectual capital is even more significant for strategic organisational success (Lawler 2008; Michaels, Handfield- Jones & Axelrod, 2001). Reindl (2007) adds the retention of talent through efficient talent management, not only promises an edge in the market place, but also an increase in the organisation’s overall financial performance.

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

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

The benefits that can be achieved through talent management include: capable employees, increased engagement, increased career mobility, saving costs, development according to needs, fulfilling employee expectations as well as a competitive advantage (Hills 2009; Knowledge Infusion, 2006; Lawler, 2008; Mucha, 2004). Interestingly, it can be argued in organisations that these preferences could have changed over the years.
because of a mixture of generations entering organisations. By extension Cox, Brown and Reilly (2010) argues that a realistic restructuring and re-analysis of reward strategies in organisations are required in order to create and instigate effective reward strategies.

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

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

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

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

![Figure 1: South African workforce composition in terms of age](source)

Figure 1: South African workforce composition in terms of age

In order to allow an organisation to respond effectively to employees’ demands, the reward preferences of the multi-generational workforce should be investigated and understood (Linkow, 2006). There are various reward and compensation methods other than payment that managers should seriously consider (Deloitte, 2008; Grant Thornton, 2008). Armstrong (2006) indicates that instead most employers are insensitive with regards to reward preferences of their employees, and consequently employees with scarce skills are becoming more insistent that exclusions are made based on respective individual preferences. Kaliprasad (2006) confirms that when management considerately pay attention to the preferences of employees, it can result in higher levels of determination.
and involvement. Furthermore, a highly effectual reward policy and practices will aid in attracting, motivating and retaining top talent available, whether globally or locally.

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

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

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

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

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

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

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

1.5 RESEARCH OBJECTIVES

Subsequently the following primary research objective investigates the current research problem:
• The primary objective is to determine whether in South African organisations, generations prefer different total rewards options, and what the relationship between total reward, POS and PSS.

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

The following eight propositions were formulated from literature:
• Proposition 1: There is a big difference in level of importance for total rewards components between managers and employees.
• Proposition 2: To determine the reward factors which are currently being used the most to retain employees.
• Proposition 3: To determine the most important reward factors to retain employees.
• Proposition 4: Different generation groups prefer different total reward factors.
• Proposition 5: Age, gender, race, qualification, industry, job level, years with company and years remaining at company play a moderating role in the relationship between total rewards and POS, as well as total reward and PSS.
• Proposition 6: A direct positive relationship exists between the employee’s total reward components and POS.
• Proposition 7: A direct positive relationship exists between the employee’s total reward components and PSS.
• Proposition 8: A direct positive relationship exists between the POS and PSS.
1.6 ACADEMIC VALUE AND CONTRIBUTION OF THE PROPOSED STUDY

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

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

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

1.7 DELIMITATIONS

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

- Participants were limited to the South African workforce and labour market and focused on specific age groups from organisation listed on the 21st Century Pay Solutions Group database, to which the researcher had full access.
- The study aimed at finding out what the current total reward was amongst different generations and all the factors that were linked to total reward.
• Classifying individuals into four age categories can be seen as stereotyping, as some individuals may differ with regard to the values, culture or preferences associated with the specific age group.

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

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

1.8 ASSUMPTIONS

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

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

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

• Participants will complete the questionnaire truthfully.

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

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

1.9 DEFINITION OF KEY TERMS

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

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

**Total reward:** employees’ different values, perceptions and needs in terms of the workplace.
**Reward strategy:** Stipulates what the organisation aims to do in the long term, for example to create and integrate reward policies, practices and systems in order to attain the organisation’s goals as well to provide for individual requirements and desires (Armstrong, 2006; Bussin, 2011; Milkovich & Newman, 1999; Chiang, 2005).

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

- **Silent/ Veterans/ Traditionalist:** (Born 1900-1945)
- **Baby Boomers:** (Born 1946-1964)
- **Generation X:** (Born 1965- 1980)
- **Generation Y:** (Born 1981- 1999)

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

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

The next table illustrates the abbreviations used in the study.

**Table 1: Abbreviations used in this document**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>EVP</td>
<td>Employee Value Proposition</td>
</tr>
<tr>
<td>LTI</td>
<td>Long-term Incentives</td>
</tr>
<tr>
<td>STI</td>
<td>Short-term Incentives</td>
</tr>
<tr>
<td>POS</td>
<td>Perceived Organisational Support</td>
</tr>
<tr>
<td>PSS</td>
<td>Perceived Supervisor Support</td>
</tr>
<tr>
<td>SPOS</td>
<td>Survey of Perceived Organizational Support</td>
</tr>
<tr>
<td>SoPSS</td>
<td>Survey of Perceived Supervisor Support</td>
</tr>
</tbody>
</table>
1.10 AN OUTLINE OF THE REMAINING CHAPTERS

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

**Chapter 1: Introduction and Background**
This chapter provides the reader with a better understanding of the underlying problem, purpose statement, the main objectives and the motivation in a South African context. This chapter is divided into nine sub-sections, consisting of an introduction, background, description of research problem, overview of purpose of research, the fundamental research objectives, and a justification of the contribution for the research, followed by the delimitations, assumptions and explanation of key definitions.

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

**Chapter 3: Research Design and Methodology**
This chapter focuses on the different methodologies that were applied to conduct the research study. This includes a description of the research paradigm and broad research design that was used in order to complete this study. It also elaborates on the sampling, data collection and data analysis. Finally, the ethical consideration which was followed during the execution of the study is summarised.

**Chapter 4: Results and findings**
In this chapter the focus is on portraying and inferring the results obtained from the statistical procedures as described in Chapter 3. It details the descriptive statistics and results regarding the reliability of the instruments, factor analysis, possible correlations between constructs as well as the differences between groups.
Chapter 5: Discussion of results
This chapter focuses on reviewing and discussing the results from Chapter 4. The eight propositions will be explained and linked to literature review as discussed in Chapter 2.

Chapter 6: Limitations, recommendations and conclusion
This chapter attempts to draw final conclusions from this study. It concludes with a description of the significance of the study, the limitations involved and some recommendations for future studies.

1.11 CONCLUSION

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

The next chapter investigates the literature that exists on the research topic and also focuses on the components of the total rewards and how generations perceive organisational support as well as perceived supervisor support.
2 CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

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

2.2 PROACTIVE TALENT MANAGEMENT

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

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

South Africa has a very high unemployment rate, which is currently established at 23, 9% (Statistics South Africa, 2012), and one would expect that organisations to be enthusiastically recruiting employees. However, this is not the case with only limited
scarce skills available, employee mobility and the pending retirement of Baby Boomers, it becomes problematic (Hall & Sandelands, 2009; Maigibiri & Nienaber, 2009).

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

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

Table 2: Top 10 Drivers in Europe and the USA

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

Source: Perrin (2007)

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

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

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Millennials (age 31 and under)</th>
<th>Generation X (ages 32-47)</th>
<th>Baby Boomers (ages 48-65)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Executives</td>
<td>Employees</td>
<td>Executives</td>
</tr>
<tr>
<td>1</td>
<td>Company culture (21%)</td>
<td>Promotion or job advancement (41%)</td>
<td>Additional bonus or financial incentives (21%)</td>
</tr>
<tr>
<td>2</td>
<td>Flexible work arrangements (20%)</td>
<td>Additional compensation (40%)</td>
<td>Additional compensation (19%)</td>
</tr>
<tr>
<td>3</td>
<td>New training programs or support and recognition form supervisors or managers (19%)</td>
<td>Additional bonuses or financial incentives (33%)</td>
<td>Strong leadership (19%)</td>
</tr>
</tbody>
</table>

Source: Deloitte (2011)

It can be concluded from the studies conducted that work-life balance, job content and work environment improve employee retention considerably. Other surveys show that the majority of employees leave an organisation for reasons other than pay. Limited or no opportunities for career development, flexible work hours and lack of recognition are the
main reasons for employees resigning. Therefore, employers should not only use a pay
option to attract, retain and to motivate employees, but should rather include other non-
monetary factors as well (Bussin, 2003; Hill & Tande, 2006).

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

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

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

2.3 PREFERENCES

Preferences can be seen as the individual’s norms, beliefs, attitude, expectations and
specific choices regarding specific concepts or situations. Each generation has its own
features, values and attitudes toward work based events (Jenkins, 2007). This positively
relates to total rewards that contribute to employee engagement, retention, organisation’s employee value propositions and organisational performance. In short, the impact is even more meaningful if the reward offering is created relative to employee preferences (Giancola, 2007, Nienaber, 2009; Sung & Todd, 2004).

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

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

2.3.1 Reward Preferences

As the competition in the work environment increases, employees are becoming more challenging in terms of rewards, expectations and expecting that organisations compose exemptions according to specific preferences, priorities and needs (Herman & Giola, 2000,
Netswera, Rankhumise & Mavundla, 2005). Employees and employers’ desires and requirements may shift over a period of time, predominantly as their level of income changes (Tang & Ibrahim, 1998). Tang and West (1997) add that when employees receive adequate remuneration, they will concentrate more on inherent needs such as acknowledgement, appreciation, training and development and achievement. This is important to take into consideration when developing a remuneration policy and system, as the individuals’ financial circumstances is over and above other factors that may influence the employee’s preferences such as generational differences. Longenecker and Scazzero (2003) further declare that the intent to leave correlates with job opportunity elsewhere, more money, a poor supervisor, lack of appreciation or inability to get time off from work.

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

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

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

Work values and requirements change as employees mature and age (Smola & Sutton, 2002). For instance, younger employees tend to desire more physical rewards such as medical aid, maternity or paternity leave, whereas elder employees may care about
standard options or contributions to their retirement plans (Metha, Anderson & Dubinsky, 2000). In addition, Society for Human Resource Management (2009) argues further that retirement benefits are assumed to be less important for workers in their 20s, but as they grow older it becomes much more significant. A sample of manager-level employees in the KwaZulu-Natal area was asked “what 5 things would influence the decision to leave your current organisation”. The top five results from 106 respondents were, in the following order of importance: poor payment, lack of vocation advancement, poor leadership, better job and position proposed and poor working circumstances (Muteswa & Ortlepp, 2011). From this background the following proposition was formulated:

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

2.4 REWARDS AND RETENTION

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

Other researchers may have different opinions with the abovementioned views, for example, Tang, Luna-Arcocas and Tang (2004) assert that managers should not only focus on payment as a reward, because employee’s contentment with payment will ultimately decrease as this point persistently increases. Mahaney and Lederer (2006) support this by stating that intrinsic inspiration is the psychological reward that employees gain from
performing their responsibilities at work. Intrinsic motivation can be experienced through the execution of the job, for example in factors such as achievement, challenge, variety, responsibility and personal and professional growth. It can be concluded that there may be other intrinsic and extrinsic factors that may influence an employee’s decision to leave or remain with the current organisation.

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

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

2.4.1 The Components of Remuneration

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

The figure below was developed based on all the different models for total rewards, which are emphasised in the total reward systems section. The figure below illustrates the general components of remuneration.
Figure 2: Main Components of remuneration
Source: Bussin (2011, p139)

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

**Basic salary** is a result from the organisation’s internal and external equity. Internal equity is the extent to which employees are treated fairly in terms of their employment contract or remuneration programmes relative to comparable others within the organisation (Khalifa & Truong, 2011). External equity refers to one organisation comparing remuneration with competing organisations and the market (Khalifa & Truong, 2011). After basic salary has been established, the remuneration manager or remuneration specialist can structure the employee’s fringe benefits. The composition of an employee’s fringe benefits is subject to job grades and tax laws (Bussin, 2011).
Short-term incentives can be viewed as a motivation or retention strategy which human resource management can use to retain or motivate employees but also as an encouragement to reward exceptional performance. Short-term incentives can include examples such as profit share, gain share, bonuses or commission. One key characteristic of short-term incentives is that these incentives can be accomplished within one year. Short-term incentives can be obtained by all employees in the organisation (Bussin, 2011).

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

2.4.2 Total Rewards Systems

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

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

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

- Greater impact on productivity, culture and employees understanding
- Enhancement of the employment relationship
• Increased cost-effectiveness
• Flexibility to meet individuals demands and
• Victory in the war of talent

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

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

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

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

The studies by Kerry-Phillips and Thomas (2009) and the Corporate Leadership Council (2007) on rewards are conflicting in some of their discoveries (van Der Merwe 2012), underlining the different opinions that individuals developed on this topic. Moreover,
Corporate Leadership Council (2007) expands by that the following factors can be seen as vital in the employment package:

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

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

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

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

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

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

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

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

![Figure 4: The WorldatWork Total Rewards Model](image)

Figure 4: The WorldatWork Total Rewards Model
Source: WorldatWork’s Total Rewards Model (2007, p 7)

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

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

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

<table>
<thead>
<tr>
<th>Transactional rewards</th>
<th>Base Pay</th>
<th>Contingent Pay</th>
<th>Employee Benefits</th>
<th>Total remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relational rewards</td>
<td>Learning and development</td>
<td>Non-financial/ Intrinsic rewards</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>The work experience</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Armstrong and Brown (2006)

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

2.4.5 Zingheim and Schuster’s Total reward Model

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

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

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

2.4.6 The Towers Perrin Total Reward Model

The Towers Perrin Total Reward Model concentrates more on tangible and intangible rewards as well as individual’s rewards versus communal rewards. This shows that the model is divided into four groups namely pay, benefits, learning and development and work environment (Armstrong, Brown & Reilly, 2011). The figure below illustrates the different transaction/tangible and relational/intangible rewards according to Towers Perrin.
The Corporate Leadership Council (CLC) describes total rewards components from a philosophical point of view. If the CLC definition of total rewards is compared with the WorldatWork’s total rewards model, it is apparent that performance as well as learning and development are excluded where work-life is included as family-friendly benefits. The CLC (2007) updated components of total rewards reveals the following categories for total rewards:

- Remuneration and benefits
- Work environment
- Work-life balance
- Organisational environment
The table below contains an explanation of the different categories of total rewards components and variables as described by CLC will follow (2007, p 17):

Table 6: Total Reward components and variables

<table>
<thead>
<tr>
<th>Remuneration and benefits</th>
<th>Work environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base salary</td>
<td>Manager quality</td>
</tr>
<tr>
<td>Bonus as percentage of base salary</td>
<td>Co-worker quality</td>
</tr>
<tr>
<td>Health benefits</td>
<td>Recognition</td>
</tr>
<tr>
<td>Retirement benefits</td>
<td>Cutting-edge work</td>
</tr>
<tr>
<td>Share options</td>
<td>Empowerment</td>
</tr>
<tr>
<td>Internal equity</td>
<td>Role clarity</td>
</tr>
<tr>
<td>External equity</td>
<td>Work challenge</td>
</tr>
<tr>
<td></td>
<td>Internal mobility</td>
</tr>
<tr>
<td></td>
<td>Project responsibility</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Work-Life balance</th>
<th>Organisational environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>Risk taking</td>
</tr>
<tr>
<td>Flexitime</td>
<td>Company reputation</td>
</tr>
<tr>
<td>Child care</td>
<td>Senior team reputation</td>
</tr>
<tr>
<td>Hours</td>
<td>Company size</td>
</tr>
<tr>
<td>Telecommuting</td>
<td>Employee development</td>
</tr>
<tr>
<td>Travel</td>
<td>Reputation</td>
</tr>
<tr>
<td>Vacation</td>
<td>Technology level</td>
</tr>
<tr>
<td></td>
<td>Respect</td>
</tr>
<tr>
<td></td>
<td>Meritocracy</td>
</tr>
<tr>
<td></td>
<td>Ethics</td>
</tr>
</tbody>
</table>

Source: CLC (2007, p. 17)

2.4.8 Armstrong and Thompson Total Reward Model

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

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

![Figure 7: Aon Hewitt Model of Rewards](source)

Source: Aon Hewitt Survey (2012, p 2)

Figure 6: Armstrong and Thompson Total Rewards Model
Source: Armstrong and Thompson (2002)
Thus, from the above literature the following two propositions were formulated:

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

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

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

### 2.5 DEFINING A MULTI-GENERATION WORKFORCE

#### 2.5.1 Outlining a Generation

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

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

<table>
<thead>
<tr>
<th>Generation</th>
<th>USA</th>
<th>Europe/ UK</th>
<th>Japan</th>
<th>South- Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;G.I&quot;</td>
<td>1900-1923</td>
<td>1900-1918</td>
<td>1900-1925</td>
<td>1900-1920</td>
</tr>
<tr>
<td>Veterans</td>
<td>1924-1942</td>
<td>1919-1945</td>
<td>1926-1945</td>
<td>1921-1940</td>
</tr>
</tbody>
</table>


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

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

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

- Establishment stage (individuals between ages of 21-26)
- Advancement stage (individuals between ages of 26-40),
- Maintenance stage (individuals between ages of 40-60) and
- Withdrawal stage (individuals between ages of 60 and above).
The relevance of this announcement might be seen as contrary to the existing theory and need to be taken into account in this study. Giancola (2008) goes on by saying that race, ethnicity and social class and other factors play a role in determining human behaviour and diversity in the workforce. Therefore a better understanding of the different generations is discussed next.

2.5.2 The Four Main Generations

2.5.2.1 Veterans

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

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

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

Many veterans worked only for one organisation in their lifetimes, retiring from it. The current work environment has a low composition of veteran’s employees because they are either retiring or nearing retirement age. Jacobson (2007) emphasis that veterans favour systems, procedures and policies and are likely to embody a traditional work ethic. It is
important for this generation to achieve a high rank within the organisation through recognition of their experience and commitment.

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

2.5.2.2 Baby Boomers

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

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

Oriciani (2009) indicates that Baby Boomers have to postpone their retirement plans due to the economic disorder the world faces currently. Therefore they are seeking new methods of prolonging their careers and want to adopt and develop new skills and
behaviours to ensure they stay competitive. Meaning, managers should comprehend the competitive nature of the Baby Boomers and generate an environment where they can thrive and grow independently. They are generally excellent at networking and reaching consensus easily with others internally or externally to organisation. They have also embraced the use of technology from e-mails to blogs (Dalroth 2008; Crumpacker & Crumpacker, 2007). Therefore, organisations will encounter a major shortage of skills should these older workers not be attracted and retained for their experience and competencies.

2.5.2.3 Generation X

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

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

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

2.5.2.4 Generation Y

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

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

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

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

The access to knowledge, for instance the internet or any other channels, which this generation depends, makes them difficult to manage (Oriciani, 2009). Moreover, this generation is considered to be the most fast paced, technologically savvy employees in the workforce and more ethnically diverse. Generation Y can be seen as the most
accepting and open to change whilst extending their respect for variety and participation (Jenkins, 2008).

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

2.6 GENERATIONAL INFLUENCES ON REWARD

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

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

Nevertheless WorldatWork conducted a survey in 2008 revealing how employees manage the rewarding of multi-generations in the workplace and showed that 56% of organisations do not consider generation differences when constructing reward programmes, (WorldatWork, 2008). To put it more simply, organisations familiarity of generational differences may be limited by underestimating the value of concentrating on generation needs and rewarding them correspondingly (WorldatWork, 2008). From this overview of research the following proposition was formulated:
Proposition 4: Different generation groups do prefer different total reward factors

2.7 DEMOGRAPHICAL INFLUENCES ON REWARD

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

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

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

Gender, as a demographic variable can also affect reward preferences (Chiang & Birtch, 2006). Nienaber et al., (2011) as well as Snelgar, Renard and Venter (2013) found that
women have stronger preferences for payment and benefits as well as a favourable work setting. Chow and Ngo (2002) claimed that high income and favourable work circumstances are believed to be appreciated by both male and female.

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

2.8 PERCEIVED ORGANISATIONAL SUPPORT (POS)

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

2.8.1 POS Theory

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

- Organisational Support Theory

The organisational support theory reveals that employees are attentive to the manner in which organisations treat them in order to distinguish the extent to which organisations is supportive of and values their contribution. Employees relate to this treatment offered to
them by agents of the organisation as suggestive of the organisation’s overall favourable or unfavourable character towards them. This theory is also rooted in the social exchange theory, which will be discussed next.

- Social Exchange Theory

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

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

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

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

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

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

2.9 PERCEIVED SUPERVISOR SUPPORT

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

2.9.1 PSS and Total Reward

Employee’s satisfaction with their direct supervisor and their perception of their supervisor’s willingness to care for them has been shown to reduce intended turnover and...
improve the employee’s commitment (Dawley, et al., 2008; Du Plessis, 2010). Therefore, a reasonable deduction would be that an improved perception of supervisor support will decrease the employee’s need or intention to leave the organisation. Thus, proposition 7 was formulated from the research mentioned above:

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

2.9.2 Perceived Supervisor Support and Total Reward

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

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

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

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

Proposition 8: A direct positive relationship exists between the POS and PSS.
From the literature discussed the researcher was able to develop a conceptual model within the generation group’s context. This model will be illustrated and explained in the following sub-section.

2.10 INTEGRATED CONCEPTUAL MODEL

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

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

Figure 8: Integrated conceptual model
2.11 CONCLUSION

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

The following chapter will focus on the research methodology to obtain answers to the questions posed in Chapter 1.
3 CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

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

3.2 DESCRIPTION OF INQUIRY STRATEGY AND BOARD RESEARCH DESIGN

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

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

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

- **Empirical research** suggests research that is based on experimentation or observation, or evidence. Empirical research requires the units of analysis to complete a questionnaire or test a hypothesis (Leedy & Omrod 2005). For the study empirical research was conducted to create a better understanding concerning total reward for different generations and to assist human resource practices to set or determine these preferences according to several determinants or variables.

- **Exploratory research** is referred to as research that aims to discover new insights into phenomena. In addition, exploratory research approaches individuals to ask questions concerning certain phenomena (Saunders, Lewis & Thornhill, 2009). In this study exploratory research was used to reveal retention perceptions of employees and employers in South Africa amongst various generations.

- **Cross-sectional research** is research that studies a specific phenomenon at a definite time (Saunders et al., 2009). This study used cross-sectional research due to the fact that data from the questionnaires was obtained on a specific time.

- **Primary data** are data that are specifically collected for a specific purpose of the study or project (Saunders et al., 2009). Primary data was collected to address the objectives of the study as well as to draw valid conclusions from the primary data and not existing data.

- **Numeric or quantitative research** was used to answer questions or relations among measured variables with the intention of clarifying, forecasting and controlling the phenomena (Leedy & Omrod, 2005). This study concentrated solely on numerical and quantitative research.

Various studies have also opted to follow a quantitative, survey research design approach during their exploration of possible relationships between an employee’s POS, PSS (Chew & Wong, 2008; Dawley, et al., 2008; DeConinck, 2010; DeConinck & Johnson, 2009; Eisenberger, et al., 2002; Jawahar & Hemmasi, 2006; Shanock & Eisenberger, 2006). It is
therefore apparent that the application of a quantitative survey research design to establish the total reward, POS and PSS among different generation groups were used with sufficient success in the past and were appropriate for this study.

3.3 RESEARCH METHOD

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

3.3.1 Target Population

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

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

3.3.2 Units of Analysis

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

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

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

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

3.3.4 **Sample Size**

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

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

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

A total of 318 responses was received from a population of 5000. After cleaning the data only 303 responses could be used. This is a response rate of 4.3%. The demographic breakdowns of the participants are discussed below. The demographic breakdowns or characteristics of participants include age, gender, race, highest qualification, industry type, job level, and years with company, and intent to stay with company.

Table 8: Characteristics of participants

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

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

Table 8 indicated that the age group which provided the largest response was between 48 and 66 years group (44.2%). The groupings of >66 years (3.0%) and <31 years (15.2%)
provided the smallest return. The age distribution included respondents older than 66 years of age who were part of the workforce. These age groupings were not sufficient to the purpose of this study which aims to investigate the perceptions of the four main generation groups.

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

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

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

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

The groupings from which the largest responses came from were the more than 1 years grouping, 5-10 years and 2-5 years. These three groupings had a percentage of 43.2 %, 20.8 % and 19.5 % respectively.
Table 8 provide insights into the responses received according to the length of time that personnel still wishes to remain at their current organisation. The grouping from which the largest response came was the more than 5 years grouping (55.8%) that makes more than half of the percentage of the whole sample. The smallest grouping came from the at most 1 years grouping (11.2%)

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

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

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

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

3.3.6 Data Collection

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

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

### 3.3.7 Self-administered Questionnaires

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

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

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

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

The total reward, organisational support and supervisor support of the South African multi-generation workforce were measured in relation to their organisation. Three constructs were consequently measured:
1. Total reward Components (which included the biographical questions)
2. Perceived Organisational Support;

**Biographical information**

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

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

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

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

Table 10: Industry types descriptions

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

Source: Reward Online Library (2010)

The items can be viewed in Part 1 of Appendix A

**Total reward questionnaire**

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

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

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

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

**Survey of Perceived Organisational Support (SPOS)**

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

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

3.4 RESEARCH PROCEDURE

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

3.4.1 Pre/ Pilot Test

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

Bell (2005) highlights that it is vital to conduct a pilot test as the pilot test can provide vital information such as duration it took to complete the questionnaire, the clarity of the instructions, and which of the questions was hard to understand or created an uneasy
feeling, whether or not the layout was clear and attractive and encouraged participation and any other valuable comments for improvement.

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

3.4.2 Duration of Data Collection

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

3.5 STATISTICAL ANALYSIS USED

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

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

In this case, the data was extracted from the SurveyMonkey website and situated into an Excel file format. This Excel format made it possible to upload the data to a statistical software package. Analysis of the data was analysed using the Statistical Programme for the Social Sciences (SPSS) Program (SPSS Inc, 2012). The following statistical analysis was used to analyse the data:
- **Sample statistics.** Frequency Analysis was utilised to describe the biographical information of the sample obtained. Frequency tables represent the easiest kind of data analysis according to Hill and Lewicki (2007). Moreover, this type of analysis focuses on the description of the sample through counts and percentages.

- **Factor Analysis** refers to a technique used to take a large set of variables and reduced or summarise the data using a smaller set of factors or components (Pallant, 2011). Factor analysis is also seen as a session of multivariate numerical approaches whose primary objective is to describe the fundamental structure in data matrix. In this study factor analysis was used to determine how each sub-component of the total reward questionnaire load on the five factors identified by WorldatWork, 2007.

- **Reliability Analysis.** Reliability measures the consistency or repeatability of an instrument (Saunders et al., 2009). It indicates the degree to which the instrument measures similar results each time it is used under the same condition with the same subjects (Saunders et al., 2009).
  - The most general measure of reliability analysis is the Cronbach alpha. For this study Cronbach’s Alpha Coefficient was used to determine the reliability of the three instruments. Cronbach’s Alpha methods split the questions in an instrument every possible way and computes correlations for them all (Saunders et al., 2009). The average of these values is equivalent to Cronbach’s Alpha correlational coefficient (Field, 2009).

- **Pearson product-moment correlation** was calculated as the analysis of the relationship between measured variables was obtained. This provided the researcher with an analysis of the degree of a linear relationship between different variables (Field, 2009).

- **Multiple regressions’** purpose is to explain the connection between one continuous dependent variable and a number of independent variables or predictors in a complex real-life situation (Pallant, 2011). Multiple regressions are based on correlation and do not reveal casual relationships. Multiple regression analysis was conducted to analyse the relationship between a single dependent variable (total reward components) and several independent variables (POS, PSS and biographical variables).
• **T-test** refers to a comparison between the mean scores of two different groups of people or conditions (Pallant, 2011. Field 2009). In this case the t-test analysis was conducted to determine the significant differences in mean scores for gender group in terms of total reward preferences, POS and PSS.

• **ANOVA.** Overall, the aim of analysis of variance (ANOVA) is to test for significant differences or variances between means of different groups (Pallant, 2011). ANOVA (one-way analysis of variance) calculations were used to determine significant differences between the different generation's total reward and background variables existed. More specifically, a confidence interval level of 95% will be used to determine statistical significance where p < 0.05.

3.5.1 **Completeness of Data**

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

3.6 **ASSESSING AND DEMONSTRATING THE QUALITY AND RIGOUR OF RESEARCH DESIGN**

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

3.6.1 **Overcoming Bias and Error**

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

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

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

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

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

In addition Fink (2009) mentions two aspects over and above the before mentioned that determine the questionnaire’s validity:
- Predictive validity refers to the manner which the questionnaire will predict the individual’s actual feeling or preferences.

- Concurrent validity, can be derived if there is another measurement with which the results can be compared to.

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

### 3.7 RESEARCH ETHICS

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

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

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

- **Protection from harm** - respondents should not endure any physical or psychological harm during participation in the study. The proposed study will
therefore avoid any physical or psychological injury as well as any stress, embarrassment or loss of self-esteem to the respondents as a result of the study.

- **Informed consent** - includes a number of issues that should be considered. Appendix B contains the consent form that was used in this research study. The consent form includes a brief description of the study and the duration of the questionnaire, a statement that participation in the study is voluntary, that the study is anonymous and confidential; the consent form also included contact details of the researcher.

- **Right to privacy** - a researcher should ensure the anonymity and privacy of respondent at all times. The study ensured anonymity and confidentiality of the respondents by not asking respondents to state any personal information. The participants that agreed to complete the questionnaires was reassured that it is completely anonymous and that their personal details such as age, gender and marital status are kept strictly confidential.

- **Honesty with professional colleagues** - One should always report research findings in an honest fashion, no fabrication of data or misleading research findings should be stated, the research data should be stored safely and the researcher should be honest and objective.

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

Table 11: Ethical issues at different stages of research

<table>
<thead>
<tr>
<th>General ethical issues</th>
<th>Stages of research</th>
<th>Stage-specific ethical issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Privacy, voluntary nature, consent, deception, confidentiality, anonymity, embarrassment, stress, harm, discomfort, pain,</td>
<td>Formulating and clarifying the research topic</td>
<td>Researcher’s right to absence of sponsor coercion, sponsor’s right to useful research, sponsor’s right to quality research</td>
</tr>
</tbody>
</table>
objectivity, quality of research

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

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

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

- Firstly the participation was voluntary; no involuntary individuals were forced to complete the questionnaire.

- Secondly, participants were informed of the research as it includes the purpose and the benefits regarding the participation in this research.
- Thirdly, participants gave their informed consent by means of answering the first question that poses that the participant hereby gives their informed consent and by means of completing the questionnaire.

- All responses were anonymously and handled with utmost respect.

3.8 CONCLUSION

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

4.1 INTRODUCTION

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

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

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

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

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

4.2.1 Reliability Analysis

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

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

Total Rewards questionnaire

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

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

Table 12: Reliabilities for the different Total Rewards sub scales

<table>
<thead>
<tr>
<th>Measurement</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation- Current utilisation</td>
<td>0.686</td>
</tr>
<tr>
<td>Compensation- Level of importance</td>
<td>0.720</td>
</tr>
<tr>
<td>Benefits- Current Utilisation</td>
<td>0.848</td>
</tr>
<tr>
<td>Benefits- Level of importance</td>
<td>0.885</td>
</tr>
</tbody>
</table>
Work-life Balance- Current Utilisation | 0.756  
Work-life Balance- Level of importance | 0.810  
Performance management and recognition- Current Utilisation | 0.856  
Performance management and recognition- Level of Importance | 0.823  
Career Development and Opportunities- Current Utilisation | 0.886  
Career Development and Opportunities- Level of Importance | 0.889

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

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

Survey of Perceived Organisational Support (SPOS)

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

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

The table underneath show the item total statistics with the reliability Coefficient (Cronbach’s Alpha) if the item was deleted.
Table 13: Item total statistics for POS

<table>
<thead>
<tr>
<th>Deleted items</th>
<th>Raw variable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation with Total</td>
</tr>
<tr>
<td>POS1</td>
<td>0.744</td>
</tr>
<tr>
<td>POS2</td>
<td>0.802</td>
</tr>
<tr>
<td>POS3</td>
<td>0.755</td>
</tr>
<tr>
<td>POS4</td>
<td>0.789</td>
</tr>
<tr>
<td>POS5</td>
<td>0.816</td>
</tr>
<tr>
<td>POS6</td>
<td>0.845</td>
</tr>
</tbody>
</table>

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

**Survey of perceived supervisor support (SoPSS)**

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

The next table, table 14 present the item total statistics with the reliability coefficient if the item is deleted.
Table 14: Item total statistics for PSS

<table>
<thead>
<tr>
<th>Deleted items</th>
<th>Raw variable</th>
<th>Correlation with Total</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>PSS1</td>
<td></td>
<td>0.855</td>
<td>0.943</td>
</tr>
<tr>
<td>PSS2</td>
<td></td>
<td>0.857</td>
<td>0.942</td>
</tr>
<tr>
<td>PSS3</td>
<td></td>
<td>0.798</td>
<td>0.949</td>
</tr>
<tr>
<td>PSS4</td>
<td></td>
<td>0.866</td>
<td>0.941</td>
</tr>
<tr>
<td>PSS5</td>
<td></td>
<td>0.864</td>
<td>0.941</td>
</tr>
<tr>
<td>PSS6</td>
<td></td>
<td>0.868</td>
<td>0.941</td>
</tr>
</tbody>
</table>

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

4.2.2 Factor Analysis

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

The Kaiser-Meyer-Olkin (KMO) values as well as Barlett's Test for Sphericity for compensation, benefits, work-life balance, performance management and recognition and development and career opportunities is illustrated below in the next table.
Table 15: KMO and Barlett's Test of Sphericity for the main components

<table>
<thead>
<tr>
<th></th>
<th>KMO</th>
<th>Barlett's Test Of Sphericity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>0.733</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Benefits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation</td>
<td>0.857</td>
<td>0.00</td>
</tr>
<tr>
<td>Work-life balance</td>
<td>0.806</td>
<td>0.00</td>
</tr>
<tr>
<td>Performance Management and recognition</td>
<td>0.800</td>
<td>0.00</td>
</tr>
<tr>
<td>Development and Career opportunities</td>
<td>0.898</td>
<td>0.00</td>
</tr>
</tbody>
</table>

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

More specifically for the benefits component showed the presence of three factors with the eigenvalues exceeding 1, explaining 45.95 %, 13.51 %, and 10.18 % of the variance respectively. A review of the scree plot revealed a clear break after the third factor. It was decided to retain three factors for further exploration. The results revealed that there were strong loadings on all three factors. This is shown in the pattern matrix in table 16.

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

<table>
<thead>
<tr>
<th>Benefits components</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Factor 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2.18 Cell phone allowances</td>
<td>1.060</td>
<td>.101</td>
<td></td>
</tr>
<tr>
<td>B2.17 Car allowances</td>
<td>.694</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B2.16 Laptop and internet/ 3G</td>
<td>.466</td>
<td>.225</td>
<td></td>
</tr>
<tr>
<td>B2.21 On-site crèches</td>
<td></td>
<td>.945</td>
<td></td>
</tr>
<tr>
<td>B2.22 On-site Dry cleaning</td>
<td></td>
<td>.930</td>
<td></td>
</tr>
<tr>
<td>B2.20 Uniforms</td>
<td></td>
<td>.599</td>
<td></td>
</tr>
<tr>
<td>B2.24 Counselling</td>
<td></td>
<td>.470</td>
<td>.247</td>
</tr>
<tr>
<td>B2.14 Disability benefits</td>
<td></td>
<td></td>
<td>.874</td>
</tr>
<tr>
<td>B2.13 Medical aid Benefits</td>
<td></td>
<td></td>
<td>.842</td>
</tr>
</tbody>
</table>
It is recommended that an item should have a value of 0.3 or above in order to be considered to load strongly on the respective factors (Field, 2009). As can be seen from the pattern matrix table for the benefits components, there are three items higher than 0.3 that loads on factor 1, four items higher than 0.3 that load on factor 2 and five items higher than 0.3 that load on factor 3.

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

<table>
<thead>
<tr>
<th>Communication work enabler</th>
<th>Life convenience Factor 2</th>
<th>Benefits and safety Factor 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>B 2.16 Laptop and internet/ 3G</td>
<td>B2.20 Uniforms</td>
<td>B2.13 Medical Aid Benefits</td>
</tr>
<tr>
<td>B2.18 Cell phone allowances</td>
<td>B2.22 On-site dry cleaning</td>
<td>B2.15 Insurance</td>
</tr>
<tr>
<td></td>
<td>B2.24 Counselling</td>
<td>B2.19 Personal safety and security in the workplace</td>
</tr>
<tr>
<td></td>
<td></td>
<td>B2.23 Provident or pension fund</td>
</tr>
</tbody>
</table>

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

Moreover for the work-life balance component shows the presence of two factors with the eigenvalues exceeding 1, explaining 43. 69% and 15.94 % of the variance.
respectively. An inspection of the scree plot revealed a clear break after the second factor. It was decided to retain two factors for further investigation. There are strong loadings and all the variables loading substantially on the two factors. This can be seen in the factor matrix for work-life balance component.

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

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

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

4.3 MEAN STATISTICS

4.3.1 Total Reward Components

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

For the total (234) respondents the following was ranked in order of importance which is illustrated in the next table 19.
Table 19: Mean statistic of Total Reward components in order of importance for sample

<table>
<thead>
<tr>
<th>Total reward components</th>
<th>Mean statistic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>2.256</td>
</tr>
<tr>
<td>Work-life Balance</td>
<td>2.675</td>
</tr>
<tr>
<td>Benefits</td>
<td>3.098</td>
</tr>
<tr>
<td>Career Development and Opportunities</td>
<td>3.482</td>
</tr>
<tr>
<td>Performance Management and Recognition</td>
<td>3.487</td>
</tr>
</tbody>
</table>

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

### 4.3.1.1 Age Groups

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

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

The seven total reward components are ranked in accordance of importance based on mean value for the scale. This means a mean of 1 is not important at all and a mean of 5 is very important for respondent that would retain them.
Table 20: The generation group differences and the level of importance for the seven total reward categories

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

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

It can be deducted from table 20 that the last two out of the five total reward components differ among the three generation groups as they rated them differently according to their level of importance.
Overall the different generation groups prefer more or less the same total reward components therefore proposition 4 is rejected.

4.3.1.2 Job Level Groups

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

Table 21: New divided job level groups

<table>
<thead>
<tr>
<th>Group 1</th>
<th>Group 2</th>
<th>Group 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>General/ Executive</td>
<td>Junior managers</td>
<td>Staff</td>
</tr>
<tr>
<td>managers</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Senior managers</td>
<td>Specialist/</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Technical</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other</td>
</tr>
</tbody>
</table>

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

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

<table>
<thead>
<tr>
<th>Rated as important</th>
<th>Group 1</th>
<th>Group 2</th>
<th>Group 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Compensation (M=4.01)</td>
<td>Compensation (M=4.06)</td>
<td>Performance Management and recognition (M= 4.06)</td>
</tr>
<tr>
<td>2</td>
<td>Performance Management and recognition (3.97)</td>
<td>Performance Management and recognition (M= 4.00)</td>
<td>Development and career opportunities (4.00)</td>
</tr>
<tr>
<td>3</td>
<td>Development and career opportunities (3.69)</td>
<td>Benefits and safety (M= 3.92)</td>
<td>Benefits and safety (M= 3.95)</td>
</tr>
</tbody>
</table>
This table shows that for all three job level groups the highest rated total reward component is compensation for group 1 (M=4.01) and group 2 (M=4.06) but for group 3 it was performance management and recognition the most important factor (M=4.06).

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

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

4.3.2 POS and PSS

The six items of the POS Scale as well as the six items for the PSS Scale were subjected to Maximum likelihood using SPSS version 21. Prior to performing Maximum likelihood, the suitability of data for factor analysis was assessed. Inspection of the correlation matrix revealed the presence of many coefficients of 0.3 and above. The Kaiser-Meyer-Olkin values was 0.89 and 0.92, for POS and PSS.
respectively, exceeding the recommended value of 0.6, and the Barlett’s Test of Sphericity reached statistical significance supporting the factorability of the correlation matrix.

4.4 LEVEL OF IMPORTANCE VERSUS CURRENT UTILISATION

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

![Level of importance versus current utilisation for compensation](image)

Figure 9: Level of importance versus current utilisation for compensation

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

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

![Level of importance versus current utilisation for benefits](image)

Figure 10: Level of importance versus current utilisation for benefits

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

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

![Level of importance versus current utilisation for work-life balance](image)

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

The above figure indicates that there was overall medium (>0.30) discrepancy between the current utilisation variables and level of importance variables for work-life balance component (Cohen, 1988). Meaning a difference of more than 0.60 is not evident between current utilisation and level of importance for all work-life balance variables.

It is evident that the highest level of importance for work-life balance component is community contribution for the respondents while comfortable work environment is currently focused on in the workplaces of the respondents.
The following figure depicts the level of importance versus current utilisation for performance management and recognition arranged according to level importance for respondents.

![Level of importance versus current utilisation for performance management](image)

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

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

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

The following figure depicts the level of importance versus current utilisation for development and career opportunities arranged according to level importance for respondents.
The figure indicates that there is a large (>0.50) discrepancy between current utilisation variables as well as level of importance variables for development and career opportunities (Cohen, 1988). Meaning a difference of more than 0.60 is evident between current utilisation and level of importance for all development and career opportunities variables.

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

Therefore, this supports proposition 2 and 3 which illustrates the total rewards factors which are currently used the most to reward employees. Also this shows the most important total reward factors for the sample group.
4.5 ANOVA (ONE-WAY ANALYSIS OF VARIANCE) WITH POST-HOC TESTS

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

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

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

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

4.5.1 Age

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

Table 23: ANOVA Table for age and total reward components

<table>
<thead>
<tr>
<th>Total reward components</th>
<th>DF</th>
<th>Mean Square</th>
<th>F Value</th>
<th>Sig (Pr&gt; F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>2</td>
<td>0.693</td>
<td>0.942</td>
<td>0.391</td>
</tr>
</tbody>
</table>
From Table 23 it is apparent that statistically significant differences exist between work-life balance and age as well as development and career opportunities and age based on total reward.

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

<table>
<thead>
<tr>
<th>(I)A3 (J) A3</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;31 48&gt;</td>
<td>.72102*</td>
<td>.20377</td>
<td>.001</td>
<td>.2654</td>
<td>1.1766</td>
</tr>
<tr>
<td>32-47 48&gt;</td>
<td>.53831*</td>
<td>.14776</td>
<td>.001</td>
<td>.2073</td>
<td>.8693</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level

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

Next Table 25 depicts the results of the Dunnett test for development and career opportunities and age.
Table 25: Dunnett comparison between age and development, career opportunities

<table>
<thead>
<tr>
<th>(I)A3  (J)A3</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;31 48&gt;</td>
<td>.50054*</td>
<td>.79170</td>
<td>.011</td>
<td>.0890</td>
<td>.9031</td>
</tr>
<tr>
<td>32-47 48&gt;</td>
<td>.43023*</td>
<td>.13057</td>
<td>.002</td>
<td>.1377</td>
<td>.7227</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level

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

### 4.5.2 Race

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

Table 26: ANOVA table for race and total reward components

<table>
<thead>
<tr>
<th>Total reward components</th>
<th>DF</th>
<th>Mean Square</th>
<th>F Value</th>
<th>Sig (Pr&gt; F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>4</td>
<td>.845</td>
<td>1.153</td>
<td>.333</td>
</tr>
<tr>
<td>Communication work enabler</td>
<td>4</td>
<td>2.829</td>
<td>2.068</td>
<td>.086</td>
</tr>
<tr>
<td><strong>Life Convenience</strong></td>
<td>4</td>
<td>7.749</td>
<td>4.199</td>
<td><strong>.003</strong></td>
</tr>
<tr>
<td>Benefits and safety</td>
<td>4</td>
<td>1.132</td>
<td>.967</td>
<td>.426</td>
</tr>
<tr>
<td><strong>Work-Life Balance</strong></td>
<td>4</td>
<td>7.897</td>
<td>7.446</td>
<td><strong>.000</strong></td>
</tr>
<tr>
<td>Performance</td>
<td>4</td>
<td>1.067</td>
<td>1.563</td>
<td>.185</td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development and career opportunities</td>
<td>4</td>
<td>2.314</td>
<td>2.645</td>
<td>.062</td>
</tr>
</tbody>
</table>

From table 26 it is apparent that statistically significant differences exist between life convenience and race as well as work-life balance and race based Total Reward components.
The statistical significant differences between Life Convenience and work-life balance were further analysed using post-hoc tests. Table 27 depicts the results of the Dunnett post-hoc test for life convenience and race.

Table 27: Dunnett comparison between race and life convenience

<table>
<thead>
<tr>
<th>(I)A4 (J) A4</th>
<th>Mean Difference (i-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black White</td>
<td>.95283*</td>
<td>.24132</td>
<td>.001</td>
<td>.2893</td>
<td>1.6163</td>
</tr>
<tr>
<td>Indian Black</td>
<td>- .95283*</td>
<td>.24132</td>
<td>.001</td>
<td>-1.6163</td>
<td>-.2893</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level.

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

Table 28: Dunnett comparison between race and work-life balance

<table>
<thead>
<tr>
<th>(I)A4 (J) A4</th>
<th>Mean Difference (i-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black White</td>
<td>.90311*</td>
<td>.18284</td>
<td>.000</td>
<td>.4004</td>
<td>1.4058</td>
</tr>
<tr>
<td>Indian White</td>
<td>.74813*</td>
<td>.25525</td>
<td>.030</td>
<td>.0464</td>
<td>1.4499</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level.

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

Another ANOVA table is depicted for Race and POS.
Table 29: ANOVA table for race and POS

<table>
<thead>
<tr>
<th></th>
<th>DF</th>
<th>Mean Square</th>
<th>F Value</th>
<th>Sig (Pr&gt; F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>POS</td>
<td>4</td>
<td>3.420</td>
<td>4.633</td>
<td>.001</td>
</tr>
</tbody>
</table>

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

Table 30: Dunnett comparison between race and POS

<table>
<thead>
<tr>
<th>(I)A4 (J) A4</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>White</td>
<td>-.56391*</td>
<td>.15288</td>
<td>.003</td>
<td>-.9843</td>
</tr>
<tr>
<td>Indian</td>
<td>Black</td>
<td>-.95283*</td>
<td>.24132</td>
<td>.001</td>
<td>-1.6163</td>
</tr>
<tr>
<td>Black (Other)</td>
<td>Asian</td>
<td>-1.55427*</td>
<td>.62288</td>
<td>.026</td>
<td>-2.944</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level.

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

The ANOVA table for race and PSS is illustrated next.

Table 31: ANOVA Table for race and PSS

<table>
<thead>
<tr>
<th></th>
<th>DF</th>
<th>Mean Square</th>
<th>F Value</th>
<th>Sig (Pr&gt; F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PSS</td>
<td>4</td>
<td>3.378</td>
<td>4.554</td>
<td>.001</td>
</tr>
</tbody>
</table>

The statistical significant differences between Perceived Support supports were further analysed using post-hoc tests. Table 34 depicts the results of the Dunnett post-hoc test for PSS and race.
Table 32: Dunnett comparison between race and PSS

<table>
<thead>
<tr>
<th></th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black Coloured</td>
<td>-1.08268*</td>
<td>.33505</td>
<td>.012</td>
<td>-2.0041</td>
<td>-.1613</td>
</tr>
<tr>
<td>Black White</td>
<td>-.52523*</td>
<td>.15498</td>
<td>.007</td>
<td>-.9514</td>
<td>-.0990</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level.

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

4.5.3 Industry

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

Table 33: ANOVA table for industry and Total Rewards component

<table>
<thead>
<tr>
<th>Retention Preference component</th>
<th>DF</th>
<th>Mean Square</th>
<th>F Value</th>
<th>Sig (Pr&gt; F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>6</td>
<td>1.675</td>
<td>2.357</td>
<td>.450</td>
</tr>
<tr>
<td>Communication work enabler</td>
<td>6</td>
<td>3.689</td>
<td>2.768</td>
<td>.013</td>
</tr>
<tr>
<td>Life Convenience</td>
<td>6</td>
<td>3.285</td>
<td>1.719</td>
<td>.117</td>
</tr>
<tr>
<td>Benefits and safety</td>
<td>6</td>
<td>2.413</td>
<td>2.123</td>
<td>.052</td>
</tr>
<tr>
<td>Work-Life Balance</td>
<td>6</td>
<td>4.477</td>
<td>4.107</td>
<td>.001</td>
</tr>
<tr>
<td>Performance Management</td>
<td>6</td>
<td>.721</td>
<td>1.047</td>
<td>.396</td>
</tr>
<tr>
<td>Development and career</td>
<td>6</td>
<td>1.820</td>
<td>2.079</td>
<td>.057</td>
</tr>
</tbody>
</table>
From Table 33 it can be seen that statistically significant differences exist between industry and communication enabler as well as between industry and work-life balance.

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

Table 34: Dunnett comparison for industry and communication work enabler

<table>
<thead>
<tr>
<th>(I)A6</th>
<th>(J) A6</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producer Services</td>
<td>Logistics and Transport</td>
<td>-1.15909*</td>
<td>.37016</td>
<td>.032</td>
<td>-2.2602</td>
<td>-.0580</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level

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

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

<table>
<thead>
<tr>
<th>(I)A6</th>
<th>(J) A6</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extractive Services</td>
<td>Producer Services</td>
<td>-.58973*</td>
<td>.19579</td>
<td>.045</td>
<td>-1.1721</td>
<td>-.0073</td>
</tr>
<tr>
<td>Extractive Services</td>
<td>Social Services</td>
<td>-.94806*</td>
<td>.21012</td>
<td>.000</td>
<td>-1.5731</td>
<td>-.3230</td>
</tr>
<tr>
<td>Producer Services</td>
<td>Transformative Services</td>
<td>.58973*</td>
<td>.19579</td>
<td>.045</td>
<td>.0073</td>
<td>1.1721</td>
</tr>
<tr>
<td>Social Services</td>
<td>Producer Services</td>
<td>.94806</td>
<td>.21012</td>
<td>.000</td>
<td>.3230</td>
<td>1.5731</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level
From the Dunnett test it is evident that there are only significant differences for mean scores between extractive and producer services, extractive and social services, producer services and transformative industry and social services and producer services.

ANOVA table for Industry and POS will be showed next.

Table 36: ANOVA table for industry and POS

<table>
<thead>
<tr>
<th></th>
<th>DF</th>
<th>Mean Square</th>
<th>F Value</th>
<th>Sig (Pr &gt; F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>POS</td>
<td>6</td>
<td>3.407</td>
<td>4.766</td>
<td>.000</td>
</tr>
</tbody>
</table>

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

Table 37: ANOVA table for industry and PSS

<table>
<thead>
<tr>
<th></th>
<th>DF</th>
<th>Mean Square</th>
<th>F Value</th>
<th>Sig (Pr &gt; F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PSS</td>
<td>6</td>
<td>3.144</td>
<td>4.340</td>
<td>.000</td>
</tr>
</tbody>
</table>

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

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

Table 38: Dunnett comparison between industry and POS

<table>
<thead>
<tr>
<th>(I)A6</th>
<th>(J) A6</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producer Services and Social Services</td>
<td>.77288*</td>
<td>.14505</td>
<td>.000</td>
<td>.3413</td>
<td>1.2044</td>
<td></td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level.
From the Dunnett test it is clear that there is significant difference in mean scores between producer services and social services. Table 39 illustrates the results of the Dunnett post-hoc test for PSS.

Table 39: Dunnett comparison between industry and PSS

<table>
<thead>
<tr>
<th>(I) A6</th>
<th>(J) A6</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformative</td>
<td>Other</td>
<td>-.6333*</td>
<td>.20347</td>
<td>.011</td>
<td>-1.1693</td>
<td>-.1028</td>
</tr>
<tr>
<td>Social services</td>
<td>Other</td>
<td>-.76528*</td>
<td>.19258</td>
<td>.001</td>
<td>-1.2674</td>
<td>-.2631</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level.

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

4.5.4 Job Level

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

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

<table>
<thead>
<tr>
<th>Retention Preference component</th>
<th>DF</th>
<th>Mean Square</th>
<th>F Value</th>
<th>Sig (Pr&gt; F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>5</td>
<td>1.060</td>
<td>1.456</td>
<td>.205</td>
</tr>
<tr>
<td>Communication work enabler</td>
<td>5</td>
<td>4.728</td>
<td>3.580</td>
<td>.004</td>
</tr>
<tr>
<td>Life Convenience</td>
<td>5</td>
<td>8.883</td>
<td>4.949</td>
<td>.000</td>
</tr>
<tr>
<td>Benefits and safety</td>
<td>5</td>
<td>.167</td>
<td>.238</td>
<td>.945</td>
</tr>
<tr>
<td>Work-Life Balance</td>
<td>5</td>
<td>4.464</td>
<td>4.039</td>
<td>.002</td>
</tr>
<tr>
<td>Performance management</td>
<td>5</td>
<td>.167</td>
<td>.238</td>
<td>.945</td>
</tr>
</tbody>
</table>
From table 40 it is distinct that statistically significant differences exist between job level and communication work enabler, job level and life convenience and job level and work-life balance.

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

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

<table>
<thead>
<tr>
<th>(I)A7</th>
<th>(J)</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>General/ Executive Management</td>
<td>.91296*</td>
<td>.26108</td>
<td>.007</td>
<td>.1627</td>
<td>1.6632</td>
</tr>
<tr>
<td>Senior Management</td>
<td>General/ Executive Management</td>
<td>-.55728*</td>
<td>.19334</td>
<td>.049</td>
<td>.0017</td>
<td>1.1129</td>
</tr>
<tr>
<td>Senior Management</td>
<td>Staff</td>
<td>-.91296*</td>
<td>.26108</td>
<td>.007</td>
<td>-1.6632</td>
<td>-.1627</td>
</tr>
<tr>
<td>Staff</td>
<td>Other</td>
<td>.97436*</td>
<td>.36512</td>
<td>.029</td>
<td>.0792</td>
<td>1.8695</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level

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

Table 42 depicts the results for the Dunnett post-hoc test for life convenience as a total reward component.
Table 42: Dunnett comparison between job level and life convenience

<table>
<thead>
<tr>
<th>(I) A7</th>
<th>(J) A7</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>Junior Management</td>
<td>1.13057*</td>
<td>.38351</td>
<td>.041</td>
<td>.0284</td>
<td>2.2327</td>
</tr>
<tr>
<td>Staff</td>
<td>Senior Management</td>
<td>1.10373*</td>
<td>.31022</td>
<td>.006</td>
<td>.2122</td>
<td>1.9953</td>
</tr>
<tr>
<td>Senior Management</td>
<td>Specialist/ Technical</td>
<td>-.83667</td>
<td>2.8942</td>
<td>.048</td>
<td>-1.6684</td>
<td>-.0049</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level

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

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

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

<table>
<thead>
<tr>
<th>(I) A7</th>
<th>(J) A7</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>Senior Management</td>
<td>.77922*</td>
<td>.24342</td>
<td>.019</td>
<td>.0797</td>
<td>1.4787</td>
</tr>
<tr>
<td>Staff</td>
<td>General/ Executive Management</td>
<td>.94180*</td>
<td>.23885</td>
<td>.001</td>
<td>.2554</td>
<td>1.6282</td>
</tr>
<tr>
<td>Junior Staff</td>
<td>Management</td>
<td>-.77922</td>
<td>.24342</td>
<td>.019</td>
<td>-1.4787</td>
<td>-.07972</td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level

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

Table 44: ANOVA table for job level and POS

<table>
<thead>
<tr>
<th></th>
<th>DF</th>
<th>Mean Square</th>
<th>F Value</th>
<th>Sig (Pr&gt;F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>POS</td>
<td>5</td>
<td>4.263</td>
<td>6.024</td>
<td>.000</td>
</tr>
</tbody>
</table>

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

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

Table 45: Dunnett comparison between job level and POS

<table>
<thead>
<tr>
<th>(I)A7</th>
<th>(J) A7</th>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>General/ Executive management</td>
<td>-.87544</td>
<td>1.19146</td>
<td>.000</td>
<td>-1.4257</td>
<td>-.3257</td>
</tr>
<tr>
<td>Specialist/ Technical Executive management</td>
<td>-.60156*</td>
<td>.18396</td>
<td>.016</td>
<td>-1.1303</td>
<td>-.0728</td>
<td></td>
</tr>
<tr>
<td>Junior Management General/ Executive Management</td>
<td>-.62655*</td>
<td>.20052</td>
<td>.024</td>
<td>-1.2029</td>
<td>-.0502</td>
<td></td>
</tr>
<tr>
<td>Senior Management General / Executive management</td>
<td>-.52800*</td>
<td>.14316</td>
<td>.004</td>
<td>-.9395</td>
<td>-.1165</td>
<td></td>
</tr>
<tr>
<td>Senior Staff Management</td>
<td>.87544*</td>
<td>.19146</td>
<td>.000</td>
<td>.3251</td>
<td>1.4252</td>
<td></td>
</tr>
<tr>
<td>Senior Management Specialist/ Technical</td>
<td>.60156*</td>
<td>.18396</td>
<td>.016</td>
<td>.0728</td>
<td>1.1303</td>
<td></td>
</tr>
</tbody>
</table>

The mean difference is significant at the 0.05 level.

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

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

4.6 T-TEST

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

4.6.1 Work-life Balance

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

<table>
<thead>
<tr>
<th>Table 46: Independent sample test for work-life balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levene’s test for Equality of Variances</td>
</tr>
<tr>
<td>F</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>Equal variance assumed</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
</tr>
</tbody>
</table>

An independent sample t-test was conducted to compare the total reward for males and females. Table 46 shows there was a significant difference in scores for males (M= 3.09, SD = 1.130) and female (M= 3.45, SD= 1.01) t (235) = -2.62, p= .009, two-
tailed. The magnitude of the dissimilarities in the means (mean difference= -3.66, 95 CI: -.64 to -.09) was medium (eta squared= .208).

### 4.6.2 Performance Management

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

Table 47: Independent sample test performance management

<table>
<thead>
<tr>
<th></th>
<th>Levene’s test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
<th>95% Confidence difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig</td>
<td>T</td>
</tr>
<tr>
<td><strong>Equal variance assumed</strong></td>
<td>1.799</td>
<td>.181</td>
<td>-2.505</td>
</tr>
<tr>
<td><strong>Equal variances not assumed</strong></td>
<td>-2.467</td>
<td>214.454</td>
<td>.014</td>
</tr>
</tbody>
</table>

An independent sample t-test was conducted to compare the total reward for males and females. Table 47 shows there was a significant difference in scores for males (M= 3.87, SD = .899) and female (M= 4.13, SD = .74) t (235) = -2.50, p= .013, two-tailed. The magnitude of the differences in the means (mean difference= -2.67, 95 CI: -.47 to -.57) was very small (eta squared= .181).

### 4.6.3 Development and Career Opportunities

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

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

4.7 MULTIPLE REGRESSION

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

The results in the previous correlation section uncovered that there is no statistically significant relationships between Total Rewards components, POS and PSS.
Hierarchical multiple regression was calculated in order to determine whether age, gender race qualification, industries, job levels, years with organisation and years intent to remain at the organisation contributed to the variance in total rewards, POS and PSS. **Only the statistically significant results are discussed in this study.** More specifically, only race group and job level group showed statistically significant results and will be discussed next.

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

Table 49: Race and job level recoded groups

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

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

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

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficient</th>
<th>t</th>
<th>p</th>
<th>R^2</th>
<th>ΔR^2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>3.851</td>
<td>.287</td>
<td>13.439</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>
From the above table it is evident that Total Rewards and race were entered in step 1, explaining 24% of the variance in POS. After entry of the interaction between Total Rewards and race at step 2 the total variance explained by the entire model was 58%, $F(3, 288)= 4.686$, $p < 0.001$. Total Rewards components and age explained an additional 5.8% of the variance in POS, $R^2$ change $= 0.034$, $F$ change $(1, 227) = 0.824$, $p< 0.001$. In both scales Total Rewards components and age was statistically significant with a beta value of 0.285, $p< .001$.

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

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

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>p</th>
<th>R</th>
<th>$R^2$</th>
<th>$\Delta R^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>SE</td>
<td>Beta</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>3.922</td>
<td>.291</td>
<td>13.460</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total Rewards</td>
<td>-.083</td>
<td>.081</td>
<td>-.069</td>
<td>-1.019</td>
<td>.309</td>
</tr>
<tr>
<td></td>
<td>Race</td>
<td>-.066</td>
<td>.090</td>
<td>-.50</td>
<td>-.732</td>
<td>.465</td>
</tr>
<tr>
<td></td>
<td>Summary</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.093</td>
</tr>
<tr>
<td>2</td>
<td>(Constant)</td>
<td>3.490</td>
<td>.316</td>
<td>11.037</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total Rewards</td>
<td>-.291</td>
<td>.103</td>
<td>-.243</td>
<td>-2.824</td>
<td>.005</td>
</tr>
<tr>
<td></td>
<td>Race</td>
<td>.213</td>
<td>.124</td>
<td>.161</td>
<td>1.717</td>
<td>.087</td>
</tr>
<tr>
<td></td>
<td>Total Rewards x Race</td>
<td>.374</td>
<td>.117</td>
<td>.320</td>
<td>3.188</td>
<td>.002</td>
</tr>
</tbody>
</table>
From table 51 it is evident that Total Rewards components and race were entered in step 1, explaining 0.9% of the variance in PSS. After entry of the interaction between Total rewards components and race at step 2 the total variance explained by the entire model was 5.2%, F(3, 225) = 4.069, p<0.001. Total reward components and race explained an additional 0.4% of the variance in PSS, R squared change= .43, F change (1, 224)= 10.163, p< 0.001. In the second step, only two control measures were statistically significant, with the Total Rewards x Race recording a higher beta value (beta= .320, p< .0001) than Total Rewards scale (beta= -.243, p<.001).

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

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

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>p</th>
<th>R</th>
<th>R²</th>
<th>ΔR²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>SE</td>
<td>Beta</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>3.958</td>
<td>.275</td>
<td>14.379</td>
<td>.000</td>
<td></td>
<td>.294</td>
<td>.086</td>
</tr>
<tr>
<td>Total Rewards</td>
<td>-.046</td>
<td>.077</td>
<td>-.038</td>
<td>-5.96</td>
<td>.552</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job level</td>
<td>-.314</td>
<td>.071</td>
<td>-.284</td>
<td>-4.407</td>
<td>.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summary</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>3.964</td>
<td>.274</td>
<td>14.427</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Rewards</td>
<td>.015</td>
<td>.082</td>
<td>.012</td>
<td>.178</td>
<td>.859</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job level</td>
<td>-.247</td>
<td>.078</td>
<td>-.223</td>
<td>-3.156</td>
<td>.002</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Rewards x Job level</td>
<td>-.095</td>
<td>.047</td>
<td>-.153</td>
<td>-2.016</td>
<td>.045</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summary</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.320</td>
<td>.102</td>
</tr>
</tbody>
</table>

© University of Pretoria
From the above table it is evident that Total Rewards components and job level were entered in step 1, explaining 8.6% of the variance in POS. After entry of the interaction between Total Rewards and job level at step 2 the total variance explained by the entire model was 32.0%, $F(3, 229) = 8.689$, $p < 0.001$. Total reward components and job level explained an additional 10.2% of the variance in POS, $R^2$ change $= .102$, $F$ change $(2, 229) = 4.064$, $p < 0.001$. In the final step, only one control measure was statistically significant namely Job level with a beta value of -.223, $p < .0001$.

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

4.8 PEARSOn- PRODUCT MOMENT CORRELATION

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

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

<table>
<thead>
<tr>
<th></th>
<th>Total reward</th>
<th>POS</th>
<th>PSS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total reward</td>
<td>1.00000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS</td>
<td>0.298*++</td>
<td>1.00000</td>
<td></td>
</tr>
<tr>
<td>PSS</td>
<td>0.250*++</td>
<td>0.662*++</td>
<td>1.00000</td>
</tr>
</tbody>
</table>

*Statistically significant: p> 0.01
++Practically significant correlation (large effect): r > 0.50

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

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

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

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

<table>
<thead>
<tr>
<th></th>
<th>Compensation</th>
<th>Communication work enabler</th>
<th>Life convenience</th>
<th>Benefits and safety</th>
<th>Work-life balance</th>
<th>Performance management and recognition</th>
<th>Development and career opportunities</th>
<th>POS</th>
<th>PSS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication work enabler</td>
<td>.529*</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life convenience</td>
<td>.263*</td>
<td>.295*</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefits and work life balance</td>
<td>.575*</td>
<td>.514*</td>
<td>.391*</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

4.9 CONCLUSION

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

The following chapter focuses on the discussion of the results.
CHAPTER 5: DISCUSSION OF THE RESULTS

5.1 INTRODUCTION

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

5.2 REVIEW OF THIS STUDY

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

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

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

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

The secondary objectives are the following:

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

Therefore the following 8 propositions were formulated from literature:

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

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

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

The results of these questionnaires were analysed and demonstrated in chapter 4. The above mentioned concepts were integrated into a conceptual model see figure for details, which illustrates the first few research objectives. This integrated conceptual model’s purpose was to offer a graphic demonstration of the proposed
relationship between these concepts as stipulated by propositions 1-8. The next section entails the discussion of the results and more specifically each proposition.

5.3 KEY EMPIRICAL FINDINGS/ EVALUATIONS OF PROPOSITIONS

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

5.3.1 Evaluations of Proposition

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

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

These results indicated there were differences in retention preference factors according to level of importance between manager and employees. The results of this propositions confirms previous studies that employees still do regard compensation/ remuneration as the most important factor to retain them at their respective organisations (Bussin, 2011; Eskom Value Proposition, 2009; Muteswa & Ortlepp, 2011; Parker and Wright (2001)).
Instead numerous researchers who argue that promotion, career development, a non-physical and intrinsic motivation factors are more important for employee than just compensation or remuneration (Deloitte, 2011; Luna-Arocas and Tang, 2004; Mahaney and Lederer, 2006; Perrin, 2011; Society for Human Resource Management, 2009). While Metha, Anderson and Dubinsky, 2000 highlights that younger employees tend to prefer more physical rewards such as medical aid, maternity/paternity leave while older employees may value standard options or contributions to their retirement plans.

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

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

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

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

The results is also in agreement with other literature or total reward models (Aon Hewitt reward model, 2013; Armstrong and Brown Total Reward Model, 2006; Armstrong and Thompson, 2002; Corporate Council of Leadership, 2007; Towers
Perrin Model of Total Reward, 2011; Zingheim and Schuster Total Reward Model, 2007; WorldatWork Model, 2007) which each explained financial and non-financial aspects of total rewards. All of these models are unique which organisations use as starting point to design their own total rewards packages specific to their organisations.

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

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

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

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

On the other hand these results is in contrast with some research (Chew & Chan 2008; Mahaney & Lederer 2006; Rynes, Gerhart and Minette 2004; Tang, Luna-
Arocas & Tang (2004) recognise that pay is known as a possible precursor of organisational commitment and intention to stay, as payment alone will not be adequate. For instance, low payment might motivate an employee to leave, but high payment might not necessarily retain them. Thus, intrinsic rewards are equal important to pay which includes achievement, performance, challenging work, variety, responsibility or professional growth.

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

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

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

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

As shown by Jorgens (2003), Noble and Schewe (2003) and in SA by Moore (2009) as well as Nienaber et al (2011) showed that different generation differences do not have different reward preferences., thus these previous studies differed from this
study results which revealed that there is small differences in generation retention preferences. Moreover, these results are in contrast with research done by Giancola (2008) and Cummings and Worley (2001) which states that there are no distinct generations and their preferences but rather individual life-cycles and career stages.

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

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

While Generation Y placed emphasis on compensation, work-life balance, and development and career opportunities as the top three total reward for them. Generation Y favours teamwork and choose to follow orders as to the extent they have flexi-hours order to successfully complete the task in their own way (Gesell 2010; Gursoy et al., 2008; Dawn 2004; Dwyer 2009; Iyer & Resienwitz, 2009). This Generation uses the information channels that exist to familiarise themselves with the environment and there is a constant need for knowledge that exist in this generation. Also it can be believed that Generation Y is seeking challenges and learning, development opportunities as they are open-mined and goal-orientated in order to grow in their respective careers.
Proposition 5: Age, gender, race, qualification industry, job level, years with company and years remaining at company play a mediating role in the relationship between total reward and POS as well as between total reward and PSS

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

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

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

For race groups, there were statistical significant results mostly for Black, Indian and White groups. This supports previous research that culture and background plays a role in preferences (Macgrain & Henkerhoff, 2000, Nienaber, 2009). A history marked by ignoring could explain why Black and Indian groups have different feeling towards their total reward preferences. These feelings could potentially extend to employment practices.
In terms of Industry group, there was also statistical significant difference between all the industry groups especially for communication work enabler and work-life balance total reward components. This could be due to organisational differences and preferences.

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

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

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

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

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

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

One would expect a correlation between these two concepts due to the unique total reward and support from supervisors. Supervisors are leader implementers of total reward practices and consequently they are associated with the employees’ perception of the organisation’s total reward practices. The employee’s perception
that organisation total reward practices improve talent retention will result in the perception that his/ her supervisor values their input and cares about their general welfare.

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

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

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

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

5.4 INTEGRATED CONCEPTUAL MODEL

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

![Figure 14: Integrated Conceptual Model](image)

This final conceptual model permits the study to conclude that an increase in Total rewards practices can be associated with an increase in POS and PSS amongst Generation Y, Generation X, Baby Boomers and Veterans. The perception of high consideration for total reward preferences should lead to a decreased intention to quit the organisation amongst these generation groups.
Thus, the results of this study indicates that the means regarding employees’ age, gender, race, industry type and job level have different perceptions of the implementation of retention preference strategy or practices in the different organisations. This is affirms previous research that many aspects that can affect employee’s reward preferences (Giancola, 2007, Meyer & Kirsten, 2012; Snelgar; Nienaber, 2009; Sung & Renard & Venter 2013; Todd, 2004).

5.5 CONCLUSION

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

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

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

The last chapter will concentrate on the closure of this study by presenting the significance and value of the study, as well as future exploration prospects.
CHAPTER 6: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

This chapter offers a summary of the objective of this study, the key findings and the discussion on the significance of the study. Recommendations, further research possibilities and limitations are acknowledged followed by a final conclusion.

6.2 SIGNIFICANCE OF THE RESEARCH

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

6.6.1 Theoretical Significance

This research study contributes to a very important, contemporary issue of talent management in South Africa, namely whether perceptions regarding retention/reward package have the ability to change generations’ perception regarding the support from the organisation and their supervisors.

Dubin in Coetzee (2006) and Du Plessis (2010) suggest that theories are basic conceptual presentation of complex, real world situations that offer to enhance our insight into a specific phenomenon. This study address a complex, real world situation namely should generational differences be taken in account when structuring reward packages?
An inclusive literature study was conducted on the concept to retention preference and associated perceptions. These insights gained from this investigation, will contribute significantly towards the debate of different generation groups prefer different remuneration components in the remuneration package. It will further more contribute to the understanding of this construct in relation to the generation’s perception of organisational and supervisor support. This is significant because of the fact that empirical studies that focus on Total reward are contemporary, but studies that investigate the perceptions of generation in relation to other constructs are rare.

6.2.2 Methodological Significance

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

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

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

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

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

The next part summarises the limitations of the study.

6.3 LIMITATIONS OF THE STUDY

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

- The sample of this study was a sample of convenience. This sample was chosen because the researcher had access with the environment and because that the target organisations declared itself available to participate in this study.
- Although the need for a comprehensive sample was needed in order to compare the total reward for different generation groups, the replies to the questionnaire remained voluntary. This caused the size and the quality of the sample dependent on the goodwill of the voluntary organisations. The
projected sample size 318 was further diminished by incomplete questionnaires. An adequate sample size (303) was still obtained to accomplish the purposes of this study, which was adequate to establish the relationship between the respective constructs. The sample size is deemed sufficient for the purposes of the study and for the analyse methods employed.

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

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

6.4 RECOMMENDATIONS

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

6.4.1 Theoretical Recommendations

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

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

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

6.4.3 Practical Recommendations

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

Another recommendation is to use a system that will ensure a higher response rate and adequate sample. Organisations should encourage developing a culture of research and this must be supported by top management in order to encourage employees to participate in research studies. Future research should either focus on organisations in a bigger variety of industries or merely on different organisation in one specific industry to ensure that results can be easily generalised.
Lastly, managers can recognise possible quitters with greater precision if one could survey employees and employers at several points in time in order to detect orderly variations in motivational levels and withdrawal cognitions over time.

**6.5 SUGGESTIONS FOR POTENTIAL RESEARCH OPPORTUNITIES**

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

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

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

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

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

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

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


© University of Pretoria


APPENDIX A

- Data Collection Instruments-
Consent

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

Please choose only one of the following:

☐ Yes
☐ No

If yes, please answer the following questions:

Part 1: BIOGRAPHICAL INFORMATION

Please answer each of the following questions by ticking the number corresponding to your answer or by filling in your response in the space provided.

A2. Age in years

<31 1
32-47 2
48-66 3
66+ 4

A3. Gender

Male 1
Female 2

A4. Race

Black 1
Coloured 2
Indian 3
White 4
Other 5

A5. Highest academic qualification

Grade 12 /Matric or lower 1
Certificate/ diploma 2
Degree (3-year) 3
Honours 4
Masters 5
Doctoral/ PhD 6

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

Extractive (agriculture, forestry and paper) 1
Transformative (construction and building, manufacturing, electrical, machinery, automobile, pharmaceutical) 2
<table>
<thead>
<tr>
<th>Service Type</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producer Services (banking and financial, insurance, real estate, engineering, consultancy, accounting, legal services, research, IT, miscellaneous business services)</td>
<td>3</td>
</tr>
<tr>
<td>Social Services (medical and health, education, welfare, non-profit organisations, postal services, government, state owned enterprises)</td>
<td>4</td>
</tr>
<tr>
<td>Logistics and Transport</td>
<td>5</td>
</tr>
<tr>
<td>Personal Services (hotel and hospitality, entertainment and leisure, print and media)</td>
<td>6</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
</tr>
</tbody>
</table>

**A7. What job level represents your current position?**

<table>
<thead>
<tr>
<th>Job Level</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff (Administrative &amp; Operational)</td>
<td>1</td>
</tr>
<tr>
<td>Specialist/ Technical</td>
<td>2</td>
</tr>
<tr>
<td>Junior management</td>
<td>3</td>
</tr>
<tr>
<td>Senior management</td>
<td>4</td>
</tr>
<tr>
<td>General/Executive management</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
</tr>
</tbody>
</table>

**A8. Number of years with company:**

<table>
<thead>
<tr>
<th>Years with Company</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 3 years</td>
<td>1</td>
</tr>
<tr>
<td>2-5 years</td>
<td>2</td>
</tr>
<tr>
<td>5-10 years</td>
<td>3</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>4</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Length of Time</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>At most 1 year</td>
<td>1</td>
</tr>
<tr>
<td>At most 2 years</td>
<td>2</td>
</tr>
<tr>
<td>At most 5 years</td>
<td>3</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>4</td>
</tr>
</tbody>
</table>
Part 2: TOTAL REWARD

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

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

**B1. Compensation**

<table>
<thead>
<tr>
<th>Level of importance</th>
<th>Current utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all</td>
<td>Low</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

- B1.6 Base salary
- B1.7 Market-related salary
- B1.8 Short-term Incentive
- B1.9 Long-term Incentive
- B1.10 Company contribution to provident or pension fund

**B2. Benefits:**

<table>
<thead>
<tr>
<th>Level of importance</th>
<th>Current utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all</td>
<td>Low</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

- B2.13 Medical aid benefits
- B2.14 Disability benefits
- B2.15 Insurance
- B2.16 Laptop and internet/G3
- B2.17 Car allowances
### B2. Cell phone allowances

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

### B3. Work-Life Balance:

<table>
<thead>
<tr>
<th>Level of importance</th>
<th>Current utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all</td>
<td>Low</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

- B3.9 Telecommuting
- B3.10 Flexible hours
- B3.11 Community contribution
- B3.12 Maternity leave
- B3.13 Paternity leave
- B3.14 Study leave
- B3.15 Sabbatical leave
- B3.16 Comfortable work environment

### B4. Performance Management & Recognition

<table>
<thead>
<tr>
<th>Level of importance</th>
<th>Current utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all</td>
<td>Low</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

- B4.6 Leadership style of the organisation
- B4.7 Formal recognition (e.g. fully paid trip overseas)
- B4.8 Informal recognition (e.g. thank you note)
- B4.9 Performance review
### B5. Development & Career Opportunities

<table>
<thead>
<tr>
<th>Factor</th>
<th>Level of importance</th>
<th>Current utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Not at all</td>
<td>Low</td>
</tr>
<tr>
<td>B5.8 Career or personal development plan</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>B5.9 Organisational climate</td>
<td>B5.2</td>
<td></td>
</tr>
<tr>
<td>B5.10 Succession planning</td>
<td>B5.3</td>
<td></td>
</tr>
<tr>
<td>B5.11 Training opportunities</td>
<td>B5.4</td>
<td></td>
</tr>
<tr>
<td>B5.12 International job opportunities</td>
<td>B5.5</td>
<td></td>
</tr>
<tr>
<td>B5.13 Mentorship</td>
<td>B5.6</td>
<td></td>
</tr>
<tr>
<td>B5.14 Bursaries/ funding for tertiary qualifications</td>
<td>B5.7</td>
<td></td>
</tr>
</tbody>
</table>

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

1- Compensation
2- Benefits
3- Work-life balance
4- Performance management and recognition
5- Development & career opportunities
**Part 3 : PERCEIVED ORGANISATIONAL SUPPORT**

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

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

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

C3. The organisation would notice any complaint from me.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>
Part 4: PERCEIVED SUPERVISOR SUPPORT

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

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

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

D3. The Supervisor would notice any complaint from me.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

D4. The Supervisor shows great concern for me.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>
D6. The Supervisor takes pride in my accomplishments at work.

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

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

- Respondents’ Letter of Consent-
Informed consent for participation in an academic research study

Dept. of Human Resource Management

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

Research conducted by:
Ms. E. Smit
Student number: 12306755
Cell: 072 613 6922

RESEARCH RE: Retention preferences from a multi-generation workforce

Dear Respondent

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

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

Please note the following:

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