



NORMA SMURFIT LIBRARY
NATIONAL COLLEGE
OF IRELAND

THE REVOLVING DOOR PHENOMENA

**A Qualitative Study as to why employees voluntarily leave their
employment with Boras Co Plc, a leading Financial Services
Company in Ireland**

By Kate Sheridan

**A dissertation submitted in partial fulfilment for a Masters in Human
Resource Management.**

**National College of Ireland
Mayor Street, IFSC, Dublin 1**

June 2005

*** The name of the Company has been changed at the request of the participating company
so as to protect its identity**

Authorship Declaration

I hereby certify that this material, which I now submit for assessment of the programme of study leading to the award of Masters in Human Resource Management is entirely my own work and has not been taken from the work of others save and to the extent that such work has been cited and acknowledged within the text of my work.

Signed:

Kate Sheridan

Date:

16th June 2005

Student Number:

03218554

In memory of my Beloved Father, Jimmy

Table of Contents

Acknowledgements	.....	Page 6
Abstract	.....	Page 7
Introduction	.....	Page 8
Chapter 1 - Literature Review	.....	Page 10
<u>Headings</u>		
Why Staff Retention is important		Page 11
Emerging Trends in Employment		Page 11
Levels of Staff Turnover		Page 12
Controllable & Uncontrollable Turnover		Page 13
Not a Binary Event		Page 14
Exit Interviews		Page 15
The Role of Pay		Page 16
The Role of the Psychological Contract		Page 17
Recruitment & Selection		Page 18
The Induction Process		Page 20
Training & Development		Page 22
The Role of the Line Manager		Page 24
Summary		Page 26
Chapter 2 - Research Methodology	.....	Page 27
<u>Headings</u>		
Introduction		Page 28
Approaches to Research		Page 28
Research Strategy		Page 29
Semi Structured Interviews		Page 29
Data Quality Issues		Page 31
Overcoming Data Quality Issues		Page 32
Pilot Test of Research Method		Page 34
Research Process		Page 34
Limitations of Research Strategy		Page 35

Table of Contents Cont'd.....

Chapter 3 - Findings	Page 37
-----------------------------	----------------

Headings

Introduction	Page 38
Recruitment	Page 39
On the Job	Page 41
Deciding to Leave	Page 46
Exit Interviews	Page 49

Chapter 4 – Discussion	Page 51
-------------------------------	----------------

Headings

Review of Research Aims & Objectives	Page 52
True reasons why employees leave	Page 52
Pay & Staff Retention	Page 57
Recruitment & Staff Retention	Page 57
Induction & Staff Retention	Page 58
Line Manager & Staff Retention	Page 59
Employee's concern with employability	Page 59
Exit Interviews as a management tool	Page 60

Chapter 5 - Conclusions	Page 62
--------------------------------	----------------

Headings

Aims & Objectives	Page 63
------------------------------	----------------

Chapter 6 - Recommendations for Further Research.....	Page 67
--	----------------

Headings

Other Areas of Interest	Page 68
--------------------------------	----------------

Bibliography	Page 69
---------------------	----------------

Appendices	Page 75
-------------------	----------------

Appendix A – Turnover Rates	Page 76
------------------------------------	----------------

Appendix B – Initial Letter to Participants	Page 77
--	----------------

Appendix C – Questionnaire	Page 78
-----------------------------------	----------------

Acknowledgements

My deepest appreciation and gratitude are due to my employer, Boras Co Plc for the opportunity they afforded me to complete this Masters Programme in Human Resource Management. A special word of thanks must also go in particular to my team leader and team colleagues who showed great support during the busier times.

I would like to sincerely thank my supervisor Louise Doyle for her guidance and advice in completing this thesis. My thanks also go to T.J McCabe and Fergus Barry for their time given and cooperation shown to me in completing this work.

Thanks to all the staff of both the National College of Ireland Library and of the Dublin City University Library for their help in sourcing the material needed for this thesis.

To my Mother, Breda; my sisters Aishling and Sinead and my brother in law Enda for their continued support and encouragement especially throughout the last two years.

To Ollie for his love, support and patience shown to me particularly throughout the duration of this course.

To all my friends for their kind words and acts of encouragement especially Jo and Dee and to Ruth for all the cups of tea!

To all my ex-work colleagues who generously gave their time to participate in the research conducted for this thesis.

Finally to all the class of MAHRM 04/05, thank you for making the Masters course what it was and for the close friendships that grew over the two years.

Abstract

A certain amount of staff turnover is to be expected in every organisation, however when particularly high levels become a “norm” questions need to be asked. This study examines the factors that have led to an upward trend in the staff turnover levels in Boras Co Plc, a leading financial services company in operation here in Ireland.

Generally the factors that contribute to high staff turnover can be described as controllable or uncontrollable. While management must be aware of the “uncontrollable factors”, such as an employee’s decision to move from Dublin to Meath, the main focus should be on the controllable factors. Some examples of these are the recruitment practices of the organisation, the training provided to employees and the pay policies in place.

What is important for organisations to know is that these factors can contribute either positively or negatively on staff turnover depending on the way the employment relationship is managed.

In addition, this paper also looks at which of these factors makes the biggest impact of staff retention. Is pay still the main priority for employees, or are they more concerned with an opportunity to advance their career. By knowing the factors and knowing the part they play in staff turnover, a greater insight can be achieved by organisations which will hopefully result in them achieving more successful levels of staff retention.

Introduction

I have worked with Boras Co Plc for four years and have seen the number of changes that it has undergone during that time. In my third year there I started my Masters course. From the start I was hoping to cover a topic in my thesis that would be of relevance to the area that I work in Boras Co Plc.

Over the last two years or so there has been an increase in the staff turnover levels in the company. While the “Oz Factor” accounts for a number of these departures, I was intrigued as to why there was such a sudden rise in the numbers who had decided to leave the company.

In an attempt to choose a topic that particularly interested me and which would allow me to give something back to the company that afforded me the opportunity to complete this Masters Programme, I decided to prepare a qualitative study into why employees voluntarily leave employment with Boras Co Plc.

The aims and objectives of this study are detailed below and are to:

- (1) Determine the true reasons why employees voluntarily leave their employment
- (2) Determine whether in fact people leaving for better pay is a myth or not
- (3) Determine if there is a correlation between informal recruitment and the retention of staff
- (4) Determine if there is a correlation between the use of induction and the retention of staff
- (5) Emphasise the role of the line manager in establishing successful staff retention
- (6) Determine if employees are concerned with developing their employability
- (7) Show that exit interviews are not the most useful tool for determining the reasons why employees leave, in spite of their high usage

The literature on the topic of staff retention is reviewed in the first chapter of this study. All the literature is reviewed with the above aims in mind. This allows a focus to be established as to what literature is most relevant.

Once this step was completed the research part of the study would commence. All the considerations that were taken on board in deciding on a research method are detailed in the chapter entitled research methodology. A decision was made to conduct semi structured interviews with as many of the ex employees of Boras Co Plc as was possible in the time frame set down. This would enable me to test the theory against the information that was gathered.

The task was then set to transcribe all the findings that emerged from the interviews in such a way that they could be used to test the aims and objectives defined at the outset. This forms the basis for chapter three and four.

Finally, after through research conclusions can be drawn as to whether or not the aims and objectives were met or achieved. Through this process there were areas uncovered that could provide the basis for further research.

Ultimately it is hoped that this study will provide insight to employers and students who have an interest in understanding the factors that contribute to high levels of staff turnover and provide some recommendations into how to best manage the turnover of staff.

Chapter 1

Literature Review

Why is Staff Retention important?

Traditionally, when we think about an organisation gaining a competitive advantage in a market we look to its technological or strategic ability. However in today's global market these are no longer the key to establishing such a competitive advantage. The reason for this is that they are too easily replicated. The one ability that other organisations are unable to imitate is a company's human resources and the way that they are managed (Dreher & Dougherty, 2001). Kreisman further stresses the importance of organisations' human resources by suggesting that the most valuable asset a company can have is a "stable workforce of competent dedicated employees" (2002, p 7). The resulting stability and depth of knowledge gives such organisations a powerful advantage over its competitors.

Emerging Trends in Employment

The problem managers face today is that this stability is getting more difficult to achieve. Gone are the days, some suggest, when employment relationships were considered with a view to permanence. Today employees choose an opportunity to develop their employability over an opportunity of a job for life (Taylor, 2002). No longer is there a stigma attached to workers who move from job to job or from career to career. In today's terms, such job hopping is a means of developing your skills and knowledge portfolio. Management gurus suggest that employees will have several careers on their curriculum vitae during their working life as opposed to the one job for life. However, despite the likelihood that this may transpire, Gregg and Wadsworth (1999) found from their studies that this trend is still not evident in the labour market so far.

It is one thing to be able to attract top quality employees, but this benefit will be short lived if the organisation is unable to retain them for a substantial period of time (Greville & Barry, 2001). As we move away from the job for life mentality, organisations are recognising that the price they have to pay is increased staff turnover levels. Of those organisations questioned in the CIPD Recruitment, Retention and Turnover (2004) 12% of the HR managers noted retaining employees as their main challenge heading into 2005.

Levels of Staff Turnover

A certain level of staff turnover is inevitable, the level of which can vary from one industry to the next. In research completed by the CIPD in 2004, it was found that organisations such as hotels, restaurants, call centres and those in the retail trade have recorded levels in excess of 50%. The extreme opposite of this is among occupations such as fire fighters, policemen and civil servants who have recorded levels of 10% per annum and less. Within the financial services sector voluntary staff turnover was approximately 11.5% in 2004 (see Appendix A). Turnover rates can also vary from region to region. Highest rates will naturally be found where unemployment rates are at their lowest and where it is relatively easy for alternative employment to be found.

There is no set level of employee turnover above which affects on the organisation involved becomes damaging. This all depends on the labour market that the organisation is competing in and the type of employee who leaves. In some cases the impact on the organisation can be positive, for example if a poor performer is replaced with a more effective worker. It is possible also that low turnover levels can lead to a stagnating atmosphere in the organisation which makes it very difficult for the employees as a whole to embrace change and move with the demands of the market (CIPD, 2004).

Staff retention is not about keeping every employee who ever joins the company. It's about keeping your strategic employees with the organisation. As per Greville and Barry (2001), managers need to recognise that strategic employees are not just members of the senior management team or a member of the top sales team. A strategic employee can be found at any level of the organisation. They are those employees who are the best at what they do. They also embrace the culture of the organisation and engage fully with its mission and purpose. It is these employees who organisations cannot afford to see walk out the door (Cappelli, 2001). To prevent this, managers must prioritise on their agenda the need to retain their top performers and to protect their most valued employees from leaving. After all they are depending on these employees to create a competitive advantage in the market and so differentiate the organisation from its competitors (Kaye & Jordan-Evans, 2002).

Controllable and Uncontrollable Turnover

Needless to say some turnover in staff is to be expected and can be completely outside the control of the organisation. Examples of such scenarios are when a family decide to move out of the area or an employee is enticed by the travelling bug (Greville & Barry, 2001). In certain sectors where high turnover levels are something of a norm there is a tendency to think that employee turnover is an “occupational hazard” and that little can be done to reduce the figures. It is just accepted as part and parcel of the industry within which they operate. However Taylor’s research shows that reducing the levels of staff turnover are more within the management’s control than some might think. According to Abbasi and Hollman (2000), the majority of resignations occur for common and avoidable reasons.

In order to bring the problem under control management need to identify the underlying cause and put HR policies in place so as to counter act the problem. In Ireland, the vast majority of turnover is based on voluntary decisions by employees to leave their organisation, as opposed to involuntary turnover due to organisational change, for example redundancies or the end of a fixed term contract (Taylor, 2002). Unfortunately there is no single reason for these voluntary departures as we will see from the literature, but efforts must be made to find out what they are before measures can be put in place to improve the employee retention record.



Not a Binary Event?

Just as there is no single cause for employee turnover, there is also a debate as to whether employees leave based on a series of events or a on the spot decision. Kreisman (2002) suggests that the decision to leave is not a binary event and that through a combination of experiences the employee begins to disengage from the company with the result being that they begin to think that there must be something better out there. This series of events could also be spread out over a period of months or years preceding the resignation (Taylor, 2002). William Mobley (1977) devised a model around this idea. He suggested that there are ten steps involved in the decision process of whether to stay or go. They are as follows:

- (1) Evaluate existing job
- (2) Experience job dissatisfaction
- (3) Think of quitting
- (4) Evaluate expected utility of search for a new job
- (5) Evaluate the cost of quitting
- (6) Decide to search for alternatives
- (7) Evaluate Alternatives
- (8) Compare best alternative with present job
- (9) Decide whether to stay or quit
- (10)Quit!

According to this model it seems that there is a reason from within the current job that precipitates this search for a new job as opposed to the fact another job caught the employee's attention elsewhere.

Those who criticise this model suggest that the thought process is not so linear in reality. Among these critics are Lee and Mitchell (1994) who argue the merits of their "Unfolding Model". This model suggests that what happens in most cases according to their research is that the employee experiences some kind of "shock" that suddenly starts them thinking about leaving their current role although they had not thought about doing so up to this point. From their research they found that contrary to Mobley's model, the employee spends little time weighing up the

pros and cons of staying or leaving and that the decision to resign is made quite promptly following their “shock”. So what are these events or “shocks” that cause employees to leave? If the problem is to be addressed the turnover drivers need to be established first. Can we learn from those who have left already? There are a number of ways of establishing the reasons, including examining the findings from the exit interviews completed by previous employees.

Exit Interviews

Exit interviews, despite remaining the most popular method used by organisations to determine the reason why employees leave (88%), give us little help in determining why an employee opts to leave the organisation. Other methods used are exit surveys (36%), word of mouth (22%) and staff attitude surveys (19%) (CIPD, 2004) Of the companies that took part in the CIPD’s survey in July 2004, 79% of them indicated that it was the HR manager who held the exit interview with the departing employee.

Figure 13: Methods used by organisations to investigate the reasons as to why people leave

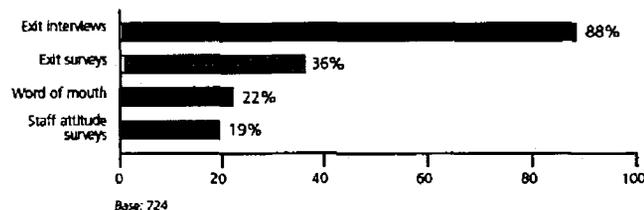


Figure 14: Exit interviews normally conducted by ...

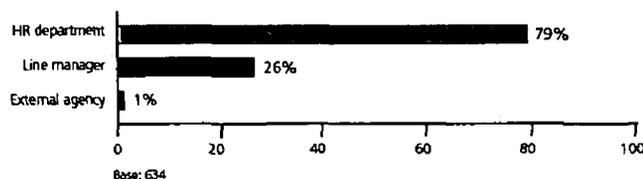


Figure A. Source: Recruitment, Retention and Turnover Survey, CIPD 2004

The reason they are a highly suspect tool is that there are too many assumptions upon which the process is based. We can only assume that the employee will give the manager holding the interview a full and accurate account of the reason why they are leaving. Furthermore we also have to assume that the employee can identify from the length of time they have been with the company, the single most

prevalent reason behind their decision to leave. In reality, the chances are that the employee has a good reason not to communicate their true feelings in this interview. Quite simply they might not want to “ruffle any feathers” on their last few days in the company. Or possibly they do not want to jeopardise their chances of getting a favourable referral upon leaving (Taylor, 2002).

The effectiveness of the interview can be improved by ensuring confidentiality and by arranging that it is not the individual’s immediate manager who holds the interview. Even with these measures in place there is room for the wrong conclusions to be drawn from the process. Zarandona and Camuson (1985) further emphasised how unreliable exit interviews are through their study. They found that 38% of the employees who upon leaving the organisation in question told management that they were leaving for a job that paid a higher wage. However, when a postal questionnaire conducted by independent researchers was later completed only 12% claimed that this was the reason for leaving. In addition 4% cited poor management in their exit interviews but in the subsequent questionnaire a surprising 29% claimed this as their main reason.

The Role of Pay

As per Zarandona and Camuson’s study it seems that money remains the most common reason given for an employee’s decision to leave. It is no wonder then that management often blame the company’s pay policies and pay scales for the number of people leaving (Kaye & Jordan–Evans, 1999). However, the problem here is that pay is an easy explanation to give and so managers are ultimately misled (CIPD, 2004). For today’s workers, money is not the motivator it used to be. A greater emphasis is put on the intrinsic rewards a company can offer such as recognition and career advancement opportunities (Reed, 2001 and Thomas, 2000). It is these elements that keep people performing to their best ability, not money. This is identified in Herzberg’s Hygiene-Motivator theory (Bowditch & Buono, 2005). He suggested that money is a hygiene factor, one that prevents job dissatisfaction but which does little to encourage the employees to grow and engage with the organisation. To build a desirable level of commitment managers must concentrate on what Herzberg describes as the motivator factors, some of

which we will deal with later in this piece. So while the salary and benefits offered may attract new employees, they are not usually the true reasons why people stay. As Kaye and Jordan–Evans agree “Dollars don’t drive retention” (2002, p 32) If an employee is unhappy in their job and thinking of moving on, a pay increase or bonus will only delay this decision temporarily.

Employees, particularly young employees, demand a greater variety and flexibility in the reward packages that employers offer (Reed, 2001). They demand rewards that they value. So managers need to be more creative when they design measures to retain staff, they need to know their employees individually and figure out what they want and value. The result being that employees will not want to leave and this is ultimately what managers are trying to achieve (Cappelli, 2001 & Reed, 2001).

In addition to pay there are other elements impacting on staff retention that are discussed below.

The Role of Psychological Contract

Over the years the psychological contract has developed and evolved. Previously the contract was based on a fair days work for a fair days pay. Today there is a new deal struck with the employer and the employee, one that is made up of an offer by the employer of fair play and treatment, plus opportunities for development (CIPD, 2003). There is an expectation that the employee will take this as their own responsibility to develop their knowledge and skills and use them each day so as to achieve the company’s goals. In return the employer will provide a challenging place to work with a future that offers opportunities for career advancement (Schein, 1978 and Frank, Finnegan & Craig, 2004). Aksehirli and Lau (2002), suggest in addition to this, that while there is no guarantee of continued employment with the same company in today’s business environment, that there still remains an expectation that the company will support the development of their employees skills allowing them to become more employable elsewhere. Such development opportunities would act as the motivators that Hertzberg referred to (Bowditch & Buono, 2005). If either party fails to meet the

expectation of the other party then the results that can be expected are demotivation, turnover, and ultimately termination. The employment relationship begins long before the first day on the job, it is from this point that the process of staff retention should also start (Dibble, 1999).

Recruitment and Selection

Staff retention problems often stem from the recruitment and selection process that the employee came through. Getting things wrong at this early stage only serves to enhance the likelihood that this employment will end in an early resignation (Taylor, 2002). This is particularly the case when it is the individual's first job. There may be a number of factors putting pressure on this person to take the job whether it is the recruitment agency that they went through or the mounting college loan. These pressures blind the individual into taking a job that they are just not suited to. For the individual they have less to lose in this situation as they will learn something valuable in their work experience. However for the organisation there is a lot more at risk from this no return investment (Schein, 1978).

The resulting costs faced include the additional recruitment and induction costs as well as the reduced productivity as a result of being another person down. Employers should avoid such a situation by using recruitment processes that allow an unsuitable candidate to deselect themselves from the running as soon as possible. Gregg and Wadsworth (1999) suggest that every year there are thousands of people recruited, paid and given training in a particular set of skills only for them to leave within a few months of starting. Research during 2003, by the CIPD found that 20% of those who left their employment had between 0 to 6 months service. They found that even when employees stay for a year or more that the decision to leave was usually made within the first few weeks after taking the job.

The root of the problem is that there is a variance in the reality of the job and the expectation that was built up during the recruitment process. Expectations are often heightened by the employer, whether this is a conscious effort or not, so as

to ensure that the position is filled or that they recruit the best candidates. While this gives a result in the short term the long term ramifications are on a bigger scale when the end result is an avoidable loss of staff and a poor reputation established in the labour market (CIPD, 2004). Taylor (2002) suggests the use of realistic job previews. This involves the managers giving an honest and realistic account of what the job entails to the candidate. Both good and bad points. This allows the candidate to make an informed decision and to select or deselect themselves from the running. Ultimately if they opt to take the job there should be no surprises and no room for false expectations to be dashed.

The effectiveness of realistic job previews have been tested by Hom and Griffeth (1995) and by Phillips (1998) and they found that the results are positive. Taylor (2002) also noted the limitations to the benefits of using realistic job previews. In labour markets that are highly competitive it may be difficult enough to attract candidates let alone recruit them and so managers may not be in favour of being so openly honest about the actual job content for fear that it would jeopardise their chances of filling the position. However, there must be a choice made between filling the job now and risking a resignation within six months.

This leads on to a further study carried out by Wanous (1992). In this research it was found that most people starting a new job have a heightened expectation about them. Managers must realise this and be aware of its impact on the recruitment process. Every effort must be made by the managers to ensure that the job is properly communicated so that the possibility that these expectations are dashed is avoided.

There seems to be a link between the length of service of an employee with an organisation and the informality of the recruitment (Barber, 1998). His work suggests that those recruited through an informal channel, for example a personal referral, will stay with the organisation longer than someone who was referred through an agency. The rationale behind this is that this person will have a deeper understanding about what the company and the job are about because of the inside information they have available to them. Given this they are less likely to be faced with a reality shock which Lee and Mitchell (1994) suggest can often set the

thoughts of leaving in motion. If they are still willing to apply while knowing this realistic information then there is a greater likelihood that this person believes themselves to be suitable for the job and a successful fit between candidate and company will be achieved.

The reasons that all organisations do not opt for this recruitment strategy solely is that, apart from the legal obligations, they are reducing the size of their applicant pool, hence reducing their choice of a new employee. Secondly this method will stifle diversity as only people known to the organisation and its existing employees are targeted.

Within the selection stage, managers should take note of the applicants past turnover record. There are theorists who believe that some people are more “affectively disposed” than others (Griffeth & Hom, 2001). This can stem from the individual’s own traits or values, but those who show a greater “negative affectivity” are more likely to move jobs more often than those who are not. Again care must be taken as there could very well be other reasons behind their chosen career path.

The Induction Process

The recruitment and induction stages of the employment relationship are together particularly important in achieving staff retention. If the recruitment process is poor then it is important the induction process attempts to pick up some of the pieces (Taylor, 2002). However Taylor’s research has shown that in general organisations tend to fare poorly in their attempts. New employees are often left to their own devices, expected to find their own feet and get familiar with the demands of the job by their own initiative. This approach contributes to what Taylor describes the “induction crisis” (2002, p 175). Throughout this period the new employee feels lost, abandoned and overshadowed with the job ahead. They are also let down when the first impressions of their new job fail to measure up to their expectations. As the CIPD have shown in their employee turnover and retention survey (2004) the decision to stay or go is usually made within the first

few weeks so without an effective induction programme in place, the chances are that this decision will be to go.

To safeguard against this being the end result organisations must ensure that induction takes place as soon after the employee starts as possible. Groups should preferably be kept low so as not to overawe the newcomers especially those who are not as confident, as these are the people who are most likely to be among the high potential early leavers. Managers must ensure that the content of the induction programme is relevant. This is best ensured by them taking responsibility over putting together the relevant material that would be most useful for each new employee. Better still as Wanous suggests, (1992) the manager should involve recent new employees in devising the content of the induction programme as they will be more aware of the needs and fears of someone starting on the job.

Without this input, the new employee is unaware of what they are facing into and so once working in the job they feel like they have no one to turn to for support and so may take the easy options of simply leaving. Schein also warns that, with particular reference to graduates joining the workforce, that they may see the manager's failure to prepare them for the job ahead and to support them in their job as incompetence on their part. This first impression can then overshadow their future opinions of their manager and lead to a feeling of disappointment in general with their first experience of working life (Schein, 1978).

The other aspect of the induction process is that of socialisation. This is particularly important for younger workers as it allows an attachment to be fostered between the employee and the company. Research has shown the positive impact having at least one friend at work or developing a "buddy system" can have on the length of time you stay with that company. Naturally this would usually be overlooked by management; however work nights out are quite beneficial to allow employees to engage with one another and so develop relations whereby a team spirit can grow (Reed, 2001).

Training and Development

Given the competitive labour market that employees find themselves in today, there is a greater pressure on them to take responsibility for developing their own knowledge and skills. This guarantees them employability, not just in their current job but with any organisation (Hall & Associates, 1996). If their current employer is not providing them with this opportunity, feelings of frustration and job dissatisfaction will prompt them then to leave. Alternatively, when employees are provided with such opportunities and encouraged to use them then levels of engagement with that company are increased.

Taylor (2002) suggests that there are two ways for employers to view this area of training opportunities. The first view that can be taken is that if they fail to provide the employees with training opportunities then those who are career orientated and motivated to advance their career will leave. A more negative view held by some employers is that by providing these employees with training the chances of them leaving are increased and so the skills that the company has invested in walk out the door. However, it must be noted that employees who are encouraged to develop their skills or who are sponsored by their employer to do so have a greater sense of engagement with that employer and so are in fact more likely to stay (Taylor, 2002). If this is the case then the employer will see a return on their investment.

Green et al (2000) put this debate to the test through their research. They found that overall the result of providing employees with the opportunity to develop their skill had a neutral effect of the number of leavers. However what is important from this research is that a distinction must be made regarding the type of training that is provided. Providing training related to in house skills did not increase the number of leavers but did lead employees to feel that management valued them and was willing to invest in developing their knowledge. For training that developed the employee's mobility, Green et al found that this was more likely to lead to departures. A further distinction occurs depending on who funds the training, the employer or the employee. There is a stronger sense of engagement when the employer is sponsoring the employee, however if there is a situation whereby the employer refuses to pay then departures can be expected as

the employee feels under no obligation to stay in that employment. They feel under valued and so strive to leave..

In Ireland in 2004, 35% of employees who left their employment cited a lack of development or career opportunities as their main reason for doing so (CIPD, 2004). This is tied into training but it also relates to promotion opportunities for employees. Today's workforce is more interested in a career than previous generations and so management must be aware of this phenomenon when they are recruiting for their organisation. Unless they are prepared and have plans in place "for the continued career growth of all new recruits" then there will be inevitable departures ahead if they "attempt to stock pile high potentials without considering specifically what they will be doing and how they will be managed five, ten and twenty years down the line" (Schein, 1978; p 92).

Most organisations have at some stage over the last twenty years or so undergone structural change as they strive to become leaner and more adaptable (Sparrow & Hillthrop, 1994). The consequence of this is that a number of middle management jobs have been erased and so there are fewer internal career moves now available. Employees working in such organisations become aware of this limited array of opportunities within a few weeks of starting their job. This will influence the way they view their future with the company and start the working relationship off on a weak footing. However, managers can still run things in a "promotion orientated manner" (Taylor, 2002, p 123). Each manager must manage their staff so that they believe that promotion and advancement are still possible. This can be achieved by ensuring that their staff is aware of any internal vacancy that arises and that such jobs are filled internally where possible. Managers must also take an interest in the career path and aspirations of their employees and encourage them to take on extra responsibility so as to increase their chances of promotion.

Managers should not limit their thinking of career advancement to promotion alone. For some people, promotion is not what motivates them at all, they simply want to have more responsibility or to be challenged by the work that they do. If management ignore this fact or fail to make them selves aware of what really motivates their employees then they run the risk of alienation which will

ultimately lead to a resignation. Pettinger notes a strong correlation between an organisation that goes to the trouble of finding out what motivates its employees and strong organisational performance (Bowditch & Buono, 2005).

What stops managers from taking these initiatives to manage their employees' careers is that they are not being rewarded for the behaviours. Sturges and Guest (1999) found that if employers fail to facilitate such initiatives that the likelihood of voluntary departures is increased particularly among graduates and young workers.

Role of the Line Manager

From the above it seems that the line manager has a very prominent role to play in the relationship an employee has with the organisation. Employees typically see the organisation they work for in the same light as they see their supervisor (Tross & Egermann, 2004). Further to this it seems that employees are no longer loyal to an organisation but rather to a particular manager, project or team. Greville and Barry (2001) refer to the Gallup Organisation's multi year study of 80,000 employees on this point. Of the 400 companies that took part in the survey, it was found that an employee's relationship with her direct boss is more important for achieving successful staff retention than company wide policies such as salary and benefits. Hermon (1999) and Kreisman (2002) further this view by suggesting that disliking or not respecting the boss is the primary reason for people voluntarily leaving an organisation. They add that an employee may join an organisation due to its generous benefits or charismatic leader, but that the decision to stay or go and how they perform in the job will be determined by the employee's relationship with their line manager.

This may seem surprising to most managers, as more often than not as Griffith and Hom's American study (2001) showed, questions about the employees relationship with the line manager are not usually asked in most exit interviews or surveys based on reasons for leaving. The result being that the company remain blind to the problem that is really contributing to their high staff turnover.

However surprising, it does seem somewhat logical as the line manager is involved in every step of the employee's relationship with the organisation, including recruitment, induction and development. The problem arises however when the results of a CIPD HR Survey Report in 2002, "Where we are, Where we're Heading" are taken into consideration. This report highlighted concerns among a large number of HR managers regarding the line manager's ability to handle people issues. Interpersonal skills and communication skills are seen to be the difference between high and low attrition (Greville & Barry, 2001). Managers should see themselves as a HR Director for the department that they work in, their ability to deal with people issues is central to their job and so training must be provided for the line manager if they are going to handle their role effectively.

A related survey in 2004, "Recruitment, Retention and Turnover" highlighted a further problem. One in three HR managers disagreed with the statement that "line managers are competent in performing recruitment activities". As we have seen from the literature, successful retention practices start at the recruitment stage. It is vital that managers are competent in their role in this process. This survey would suggest that spending money on training managers to make more considered and less hasty recruitment decisions is likely to prove a good investment, leading to long term savings as employees that are recruited actually contribute to the success of the organisation and fit with the organisation's culture.

As well as the training that the manager is provided with, it seems that their background and experience also has an impact of the problem of turnover (Abassi & Hollman, 2000). Managers are often promoted to their role due to their technical ability and experience; however they may not have the people management skills to match as organisations rarely offer people formal training in people management skills either before or after they take up their first managerial role (Taylor, 2002). Furthermore, Taylor suggests individuals are rarely promoted primarily for their people management skills. Abassi and Hollman suggest that in such instances these managers tend to have a very "myopic" vision and so concentrate on the areas of the job that they know and are competent in which often is not HR activities (2000, p 336). The assumption is made that these people are good in their current roles and so they will be good in their new management

role. This can often be a source of frustration for the employees within this manager's team as they feel that there is a lack of support and guidance available to them.

The role of managers in general has moved on from what it used to be. Employees are not managed in the same way as they used to be. Peter Drucker (1998) advises that in today's competitive labour market, employees especially knowledge employees want to feel involved and empowered. They do not want to be treated by their manager as a subordinate. They want to feel like their manager relies on them and trusts them to do their best everyday as opposed to seeing the employees as needing to be controlled. To achieve this new management style and working relationship, managers must be willing to communicate with their employees, give honest feedback, develop their strengths, identify their weaknesses and most of all value each person for their individual contribution to the company's vision. (Kreisman, 2002)

Summary

From the literature reviewed it seems that there are some key areas emerging that impact of the retention of staff in organisation. These are recruitment, induction, training and development, the role of the line manager and the use of exit interviews.

These will each be explored through the research conducted for this study. The methods used to complete this research are detailed in the following chapter.

Chapter 2

Research Methodology

Introduction

The key areas, for example recruitment and induction that emerged through completing the literature review were examined in light of the study's aims and objectives (see p 8). This allowed for a number of questions to be devised that would explore each area and determine its impact on what happened in Boras Co Plc. In order to have some structure to these questions an attempt was made to categorise them into the following themes (see also Appendix C).

- (1) Recruitment
- (2) On the Job
- (3) Deciding to Leave
- (4) Exit Interviews

These categories would be used throughout the rest of the study to guide the research and ultimately to achieve clarity and logic in the findings and conclusions.

Approaches to Research

The approach that is opted for in any study is important for a number of reasons. Firstly it allows the researcher to decide on the methods that will be used so as to collect and analyse the data. It also allows a decision to be made as to what methods will best work for them and which ones will not (Easterly-Smith et al, 1991).

Given the nature of this study it was decided that the most suitable approach would be that which is grounded in phenomenological theory. Phenomenology characterises research that attempts to understand what is happening and why it is happening (Saunders, Lewis & Thornhill, 1997). It is concerned primarily with the context within which the events being researched are taking place. Given this, phenomenological based research works best with small sample sizes.

Research Strategy

There are a number of methods to be considered when at this stage. Fowler (1993) states that the means used in the collection of research information are dependent on several factors, namely:

- (1) Research Topic
- (2) The sample and its characteristics
- (3) The availability of staff and facilities

These factors, and the time available to complete the research for the study, were considered in light of the study's objectives. It was decided to maximise the findings of the research that semi structured interviews would be conducted of a number of employees who had left Boras Co Plc over the last number of years. In all there were twenty participants who were contacted and written to so as to invite them to take part in the interviews (Appendix B). Of these twenty there were three who were abroad and so it was not feasible to interview them. Instead a detailed questionnaire was compiled for them to complete (Appendix C). This was sent to them via email and will be referred to later in this chapter.

Semi Structured Interviews

An interview is a purposeful discussion between two or more people (Kahn & Cannell, 1957). The types of interviews that can be used are categorised as follows:

- (1) Structured Interviews
- (2) Semi Structured Interviews; or
- (3) Unstructured Interviews

A structured or standardised interview (Healey & Rawlinson, 1994) is one where there is a predetermined set of questions prepared for each interview. There is no room for any flexibility in these questions and every interview used in this manner is identical.

Semi structured interviews allow for greater flexibility. While there was a list of questions compiled to be covered in each, there was room for each list to vary from one interview to the next. This allowed for the interview to be adaptable so that some questions that were less relevant could be omitted if necessary. In the same way some other questions could also be added in depending on what discussion came up during the meeting. The order of the questions also varied depending on what direction the conversation took.

The other variation of interview is the unstructured interview. These interviews are the least formal of all three. Both parties are allowed to talk freely in this instance and the subject is usually quite general (Saunders, Lewis & Thornhill, 1997).

Given the nature of the study it was decided to opt for semi structured interviews. Using this method has a number of advantages. They provide an opportunity for the researcher to probe and seek clarification to some of the answers given on the spot. This allowed for the participants to build on their responses and to explain more clearly what their opinion is, then if they were to complete a questionnaire. This is particularly important in this study as the research is phenomenological in nature (Saunders, Lewis & Thornhill, 1997). Through discussion it is also possible that an area of research that was not considered up to now may come apparent. Overall, interviews allow for a more in depth and thorough set of data to be collected adding strength to the study.

When a decision is taken to use interviews it is important that the interviewer gives the participants personal assurances about how the information will be used. The participant is then more confident about their role and about any consequences of their participation (Zikmund, 1994).

Data Quality Issues

Concerns have been raised about the use of semi structured interviews (Saunders, Lewis & Thornhill, 1997). Such concerns relate to;

- (1) Reliability
- (2) Forms of Bias

Robson (1993) sees the lack of standardisation of these interviews as reducing the reliability of the method. When we consider reliability in this instance we are looking at the probability that another interviewer would come up with the same conclusions from the same interview process. As semi structured interviews have a degree of flexibility about them, there are doubts that the same information can be gathered when another interviewer uses this structure.

Concern must also be given to interviewer bias. Easterly-Smith, Thorpe and Lowe (1991) note that it is essential that the interviewer behaves in a certain manner throughout the interview and so reduces the potential for interviewee bias. The interviewer must be aware of their tone and non verbal behaviour so that they are not leading the interviewee to respond in any particular way. Bias may also develop where the interviewer is projecting their own beliefs through the questions that they ask and so interpret the answers of the interviewee in this light.

A related type of bias is that of interviewee or response bias. This refers to the way the interviewee feels about the interview process. They may feel, given the subject, that it is intrusive and so do not reveal as much as they would usually as they are afraid that it may lead to a more probing line of questioning.

Overcoming Data Quality Issues

In terms of the question of reliability, Marshall and Rossman, (1989) suggest that the findings from semi structured interviews are not intended to be the same in every instance as they are conducted to look at the reality of the time of the interview and each situation may be subject to change. Semi structured interviews are used because of their flexibility and so to seek results that can be repeated by another interviewer using the same structure would be in contradiction to strength of this method. Marshall and Rossman (1989) are among the theorists who do not see this as a weakness of the method but as a strength, as semi structured interviews can be adapted to best meet the needs at the time the interview is taking place.

In order to overcome the influence of bias on the result of the interview, Saunders, Lewis & Thornhill (1997) suggest a number of factors that must be considered by the interviewer, among them are;

Preparation and Readiness of the Interviewer

Healey and Rawlinson (1994, p 136) advise an interviewer to be well informed before conducting the interview as this allows the interviewer to confidently assess the accuracy of the information that is gathered. By having this level of knowledge and being confident with the subject matter, your credibility is enhanced in the eyes of the interviewee. The result of this being that the interviewee will also trust the interviewer more as they appear to have a good grasp of the subject and what they are trying to achieve through the interview.

Level of Information Supplied to Interviewee

This also enhances the credibility of the interview, as the interviewee is given any information they need before the interview takes place. This allows them to prepare their thoughts and answers in advance so that the maximum use is made of the time allocated to the interview (Saunders, Lewis and Thornhill, 1997).

When the interviewee has seen the contents or theme of the interview in advance, the interview can have a focused sense of direction as both parties are clear about their roles in the process (Emory & Cooper, 1991). This was taken into consideration in this study and each of the interviewees received the questions

(see appendix C) in advance of the interviews so that they could prepare their answers in advance. To facilitate this, they received the questionnaire that was to be used for those ex employees who were abroad and who it was not visible to interview. (see p 35 with regard to limited use of questionnaire)

Approach to Questioning

Care must be taken when constructing the questions you wish to use in the interview. There must be no ambiguity around what you are asking in each of the questions decided on. Questions should not lead the interviewee to any answer and so bias their response. To avoid such a scenario, Easterly-Smith et al (1991) suggest that open ended questions be used wherever possible. They also suggest that questions be followed up with ones that are more probing if a deeper understanding is needed of the responses.

Where possible shorter questions should be used and any theoretical ideas or jargon should also be avoided. This may confuse the interviewee and lead to inaccurate answers.

As the study in question can be a sensitive subject to some people care was also taken to ensure that the more intrusive questions were kept towards the end (Ghuri et al, 1995). If the interview starts with the more sensitive questions then the interviewee may be put off and this can affect the trust between both parties.

Nature and Impact of the Interviewer's Behaviour during Interview

The tone of the interviewer's voice and their body language can have a notable affect on the behaviour of the interviewee and the overall success of the interview itself. The interviewer must be aware of their gestures and must try to keep their tone as neutral as possible (Robson, 1993). The posture of the interviewer is also important as this signals to the interviewee how interested the interviewer is on what they have to say, by showing an open posture the interviewee knows that the interviewer is interested in what they have to say and so encourages them to continue with the interview with the same level of enthusiasm (Torrington, 1991).

Pilot Test of Research Method

To ensure that the best results are achieved by all methods used in research it is vital that a pilot test is carried out. According to Fink (1995), there must be at least ten separate pilot tests carried out of your chosen method. The pilot test allows the researcher to test the effectiveness of their method and ensure that the respondents have no difficulties understanding or answering the questions being asked.

Given that there were twenty respondents in total participating in the study, it was not possible to test ten as Fink (1995) suggested. In this instance there was one test of each method completed. Following the pilot tests, there were no amendments or alterations made to the interview structure or the questionnaire content.

Research Process

Given the points that are noted above, the role of the interviewer is as important a contributor to the success of the interview as the questions are. For this reason, the above information was noted in advance to the interviews taking place and a conscious effort made to avoid the factors that can lead to biases.

During each interview the data was recorded by note taking. While the intention was for each to be recorded it transpired that the participants were uncomfortable with this arrangement and so the technique was abandoned. By relying on note taking, it meant that key statements and points were more easily identifiable. It was found also that note taking did not interfere in the flow of the conversation as initially feared. Each interview lasted on average 70 to 90 minutes.

Given that the participants were talking about their experiences in Boras Co Plc and their relationship with their immediate managers, the interviews took place away from the location of Boras Co Plc. This allowed the interviewees to be comfortable and assured that their comments would not be overheard. In most cases the interviewee chose where we would meet, the neutral environment facilitated cooperation and confidentiality (Hughes, 1996).

Limitations of Research Strategy

For those who were abroad and willing to participate in the study, it was not possible, due to the distance and the financial requirement, to conduct interviews with these individuals. To accommodate them however a detailed questionnaire was distributed via email. While questionnaires are usually used as an efficient way to collect responses from a large sample size, (Saunders, Lewis & Thornhill, 1997), it was the most suitable method available in this case despite the small number of respondents.

The type of questionnaire used would be a self administered questionnaire. To speed up the process, the questionnaires were sent to the individuals via email as opposed to using regular postal services.

All recipients received the same covering letter as those who would be interviewed, inviting them to take part (Appendix A). Dillman (1978) shows that the contents of the covering letter will impact on the response rate to the questionnaire. To this end care was taken to prepare a detailed, friendly letter that clearly outlined the purpose of the questionnaire and the role that I wanted the recipient to play.

Dillman (1978) also advises that the same care be taken when introducing the questionnaire. A decision was made as to the title of the questionnaire, it was important that this title would not bias the respondents in any way before they attempted to answer the questions.

Compared to interviews, questionnaires do not provide the opportunity for the researcher to probe the respondent about their answers, nor too do they allow the respondent to seek clarification regarding a question that does not make sense to them. To overcome this situation, a separate email account was set up. This account was not linked in any way to Boras Co Plc and the respondents were encouraged to use this facility for any queries and to also return their completed questionnaire to. By having this facility in place the respondents were assured that their answers were not at risk of being viewed by anyone linked to the company

other than the researcher. All three respondents commented on the importance of this to them and appreciated the separate email account.

While the respondents were encouraged to use the account for their queries, no one took advantage of this and all three were happy with the contents and structure of the questionnaire.

By the end of May all interviews had been conducted with the exemption of one participant. This meant that there were sixteen interviews as opposed to the planned seventeen completed. Similarly with those who were completing the questionnaire, by the end of May just two of the individuals had got back to me. It was decided that the findings would be compiled based on the information already gathered. Ultimately there were eighteen responses to work with as opposed to the planned twenty. It was hoped that this variance would be too slight to affect the validity of the findings which are presented in the next chapter.

Chapter 3

Findings

Introduction

At the start of each interview some general questions were asked so as to get a profile of the age and length of service of those participating in the research based on Boras Co Plc. All eighteen respondents were between twenty one and twenty nine years of age at the time of the interview as per Figure B.

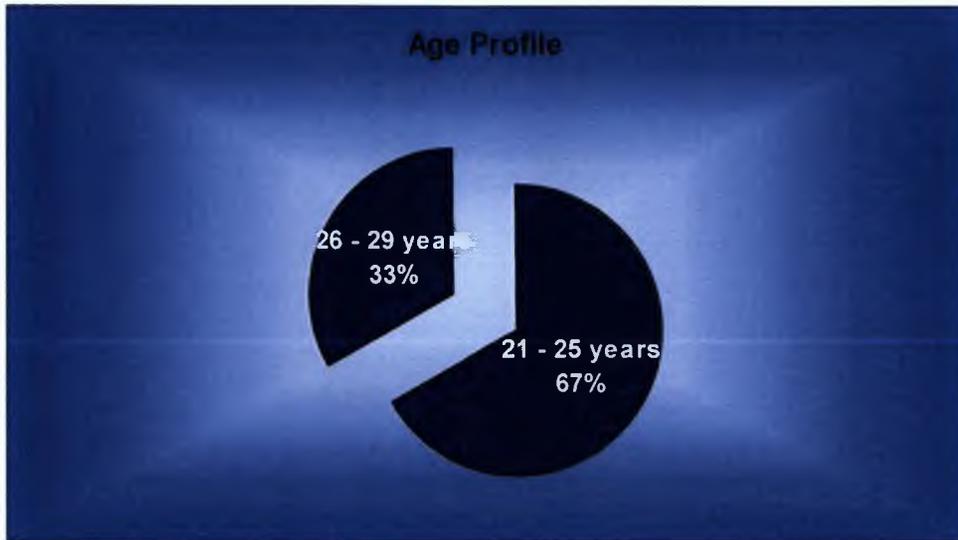


Figure B.

Half of these individuals had spent between eighteen to twenty four months with the company at the time of their resignation. No one in the sample had spent less than twelve months with the company. This is illustrated in Figure C below.



Figure C.

With reference with the point made at the beginning of the research methodology chapter (see p 28), the remainder of the findings from the interviews and questionnaires would be presented using the same four themes. These themes being;

- (1) Recruitment
- (2) On the Job
- (3) Deciding to Leave
- (4) Exit Interviews

The findings under each theme are now presented with reference to the individual areas covered by each.

Recruitment

The area of recruitment covers questions such as the way the ex employees were recruited to Boras Co Plc, the knowledge they had of the company at the time of their interview and the reasons why they applied to Boras Co Plc.

For the majority (2/3rds) of those interviewed the job attained in Boras Co Plc was the first one they had secured after leaving college. Only two of the eighteen respondents had previously worked in the financial services sector and brought experience to their role. Of those who had work experience, this was from jobs that they had held either during college or during their summer holidays as opposed to experience from permanent employment elsewhere.

All respondents had applied for a job with Boras for one of three reasons;

- | | |
|--|--------|
| (1) Referral from a Recruitment Agency | 50% |
| (2) Recommendation by a Friend | 33.33% |
| (3) Sent a CV in on spec | 16.67% |

Those who had used the services of a recruitment agency to get an interview had been given some basic information about the company, about the services that it

provided and about the company's background. Of this group, more than half admitted that they knew very little about the company until this point.

Similar information was given to the respondents that had been referred to the company by a friend. In addition to basic company information they were also told about its young staff and social life. Most respondents agreed that it was this inside information that persuaded them more to join the company, as it made them excited about the prospects of their first job. They also commented on how great it was to already know someone in the job on their first day. This allowed them to settle in more quickly and they also had an alternative person to turn to for support in the initial weeks of their job.

A smaller number of respondents had sent their CV into the company in the hope that a job would come up. At this stage they knew about the company and how it was well established in the industry. Once an interview was secured, they topped up their knowledge via the company website. Here they were able to attain background information and more general information about the markets Boras Co Plc operated in.

All eighteen respondents were asked about this knowledge when interviewed. However a number of them doubted if the decision to hire them would have been otherwise if they did not have this information to hand. One individual commented that the basic information he had given "seemed to do the trick" but that he was not asked why he had chosen to apply for this job with this company.

So why had these people applied to Boras Co Plc for a job?

As most had just left college they were eager to get a job as soon as possible. Half of them had used recruitment agencies in order to do this. It was through this route that they had got an interview with the company and were happy to take it given the need to earn money after three to four years of student life.

Just one of the eighteen had studied the area of business Boras are in through her business degree and so sent in her CV in the hope to get an interview with them.

She commented that they are one of the biggest in the industry so I decided to “shoot for the stars and go for one of the bigger fish!”

Another of the respondents interviewed commented that she had just returned from travelling and decided it was as easy to return to the industry that she had experience in as to look elsewhere. She admitted to being just a little “lazy”, as she knew that given her experience she had a good chance of being successful in an interview.

A number commented that they were finding it difficult to get a job after leaving college and so when a friend recommended the company as a place to work, the decision was made to send in a CV. They admitted that while this was an easy option their priority at the time was to get back earning money. They also conceded that they weren't too bothered as to what the job was at the time, “once it paid”.

On the Job

This theme covers area such as induction, training received on the job and the relationship the respondents had with their immediate managers.

All eighteen ex-employees of Boras Co Plc completed an induction programme upon starting their job. The timing of this programme varied somewhat among all those questioned. The length of this programme also varied from a one day event to one lasting a week long. In most cases they took place in the first few days of the employment relationship. Again this varied. One respondent commented that she did not complete an induction course until a few weeks into the job and would have preferred if this had happened more promptly.

The content of the programme also varied for these individuals. Overall the feeling was that the programme was of little relevance. There was very little content that could be applied to the job upon returning to their desk. One person commented that the content was so broad that they felt completely daunted after it and were left wondering what in fact they had taken on by accepting this job offer.

Others said that the content was very theory based and focused on the legislation behind the job in hand. While this was good to know and must be taken into consideration, there was very little that could be taken from the programme that helped the individuals cope with the job or orientate themselves over the first few weeks. When questioned about the relevance of the induction programme, one respondent asked “are induction courses ever relevant”? From their experience of induction in Boras, he felt that it was basically a “tick the box” exercise or a way of “entertaining” the new person until the team leader had time to deal with them and train them into the job. He felt that the facilitator even seemed to think so but the respondent mind as it took him “away from feeling lost in the office”.

When starting into a new job, it is important to have someone to turn to who will provide support. Overall, those interviewed felt that while there was support available to them, the problem was that this person didn't always have the time to do so. While the majority of the respondents knew who they should turn to, they weren't completely comfortable about approaching them. One example given by a number of respondents was that because the person who you knew could help was too busy they let the cases that were worrying them pile up. This caused even more stress for the new comer. Then, when the case was eventually brought to the attention of the team leader, for example, the reaction was “why didn't you come to me earlier?” This was one of the worst feelings one respondent in particular associates with the first few weeks of her new job.

Others suggested that while it was the team leader who they were told to go to for help it was often easier to ask a fellow member of the team. Some suggested that the co-workers were often more approachable than the team leader because they could empathise with your situation.

Overall the majority of ex-employees interviewed gauged their feelings over the first few weeks of their job in Boras Co Plc as anxious and lost (Figure D). While there was excitement also at starting into the working world, most felt thrown into the deep end.



Figure D

The positive feelings were due to the people that the ex-employees were working with at the time. They felt that everyone was very welcoming and there was a friendly atmosphere in the departments. So too were their managers. The other employees were relatively young and welcomed the new recruits into the social scene which the respondents noted as a great help.

The more negative feelings were due to a number of factors. Some felt that they simply knew nothing about the job they were in. However they also noted that every new job can be like this for the first while. Others said that they spent the best part of the first month doing nothing. They did not know how to use the systems, their team mates did not have the time to show them and no one person had the responsibility to “look after the new person”. Furthermore no one was forth coming to take this responsibility either, however this may very well have been due to their own work pressures.

Those who had work to do said that they generally “hated asking questions”. They knew that others around them were also busy and so would leave asking questions until another time. However, as with any new job one person added “you want to make a good impression” and so “worried about the work that is building up on your desk”. Another said that in the first few weeks he was already stressed and “knew that this wasn’t right”. It was at this time that he started to regret taking the job.

Others blamed these negative feelings on the training they received from the start. They suggested that the training covered very basic tasks and situations whereas in reality the job demanded dealing with more complex situations and so they needed a lot of additional help.

Every opportunity it seems was given to the ex employees to develop their skills. However this training was primarily related to skills that were needed for success in the role as opposed to those which developed their employability. It was possible for employees to complete exams and attain qualifications during their time with the company, however again this was when the exams were in the area within which their department in Boras operated. Some suggested that there was often a shortage of flexibility in accommodating employees who wanted to pursue studies in other areas, in particular when it came to getting time off for study.

Most of the respondents were told about the training courses that were available at the time of their goal setting. A number of the respondents said that they were presented with “the menu of training courses” available and told to “pick one”. While the employees were encouraged to develop their skills, they were also restricted in the areas they could develop.

The relationship with the immediate manager has a very strong role to play in the employment relationship. From the interviews it seems that the relationships built in Boras between employees and managers had extreme variations.

The majority of the respondents (56%) were happy with the relationship that they had with their immediate manager. They felt that there was an interest taken in their development and in them as a person. Most managers were described as friendly and approachable, understanding and easy to talk to.

However despite this others did not have such a good experience (44%). A couple of people found their immediate manager to be “unapproachable” and “intimidating”. One person described the relationship with her team leader and team similar to a teacher and pupil situation, “if you were not the teacher’s pet, forget about it!” They did make allowances that the team leader was always under

pressure but that it was obvious that some team members took priority over others in the team leader's eyes. "To ask them a question at a bad time was like committing a mortal sin!" and so you would try everything else so as to avoid having to approach this person about anything. Another recalled a situation of being made feel like a "bold kid" for making a mistake; they described how they hated feeling that way at twenty three years of age. This situation left the person feeling lost for someone to turn to for help and frustrated in their job.

Another suggested that it was obvious that the manager was frustrated with the pressures of their own job and this impacted on their mood, which the team would have to bear the brunt of.

One respondent felt that her team leader had no understanding of the day to day demands of the team's job and so could not understand why the work loads were not completed in full each day. Also she felt that this manager was always quick to chastise but equally slow to recognise a good job done which was frustrating for the team member involved in the case. While the manager was excellent at the job that s (he) did they simply lacked the interpersonal skills that the role demanded.

Again there was a variance in the responses given when asked if they felt that their immediate manager took an interest in them as a person. Those who had a good working relationship naturally felt that "yes" their manager took a personal interest in the courses they were attending and how they were getting on in general.

The opposite was true for those did not enjoy as good a relationship. One person commented "in my manager's eyes I wasn't important enough" to take an interest in. While another commented "(s) he only cared about getting the work done", no more.

Of the people questioned, twelve out of the eighteen (66.66%) held just the one position in the company. There was no correlation between those who had a good relationship with their managers and the number of roles they held. The maximum

number of roles held was two and these were lateral moves and opposed to promotions.

Deciding to Leave

This is the third theme of the interviews. The areas covered relate to investigating the length of service each had completed upon deciding to leave and the true reasons for their decision.

Of all those questioned the decision to leave was taken between twelve months and two years in the job. This trend is illustrated in figure E below.



Figure E

Two of those questioned said how they had told their manager of their intention to leave and were then offered an opportunity to move to a related department. This opportunity was taken but all this achieved was that the decision to leave was postponed for a time. Ultimately both were in the wrong job for them and wanted to move to a different industry.

While deciding to leave is one thing, actively making moves to this end may happen at another time. In the cases of those interviewed, they handed in their notice within six months of making the decision. One individual handed in her notice just one week after making the decision; she felt she had to do it

immediately so that there was no chance that anyone could persuade her to reconsider. Of those who took longer, a number said the delay was due to the fact that they were trying to find another job in the particular industry that they wanted to move to.

All the respondents answered that they had been building up to it for some time. A number confessed that their resignation would have come sooner only there were a large number of their colleagues leaving at the time and so they felt bad about adding to that trend. They also did not want to leave their team mates “in the lurch” as opposed to not wanting to leave the company.

The reasons given for leaving through this research are listed below in order of the most frequent answers given:

(1) Lack of opportunities to advance career	33%
(2) Salary/Benefits	22%
(3) Poor Relationship with immediate manager	16%
(4) Travel Opportunity	11%
(5) Unclear Expectations	6%
(6) Returning to Education	6%
(7) Other	6%

The reasons that came under “Other” related to wanting to move to another industry and pursue a different career.

Those who said they left so as to travel also noted that when the opportunity to travel arose their job was not enough for them to pass up the chance. All those who claimed to have left so as to travel stated that their job wasn't going to keep them at home.

Others said that they felt overly pressurised by the job that they were in. In particular they felt that there was too much expected of them in terms of the work loads and hours of work. One person stated that she felt “bogged down with no light at the end of the tunnel”. By light she meant recognition, monetary or

otherwise for the work that was being done or an opportunity to progress her career from her current role on the back of her work effort.

When asked if there was anything the company could have done to prevent them from leaving, there was an empathic “no”. Those who left because of the level of pay had previously approached management for a raise and had been unsuccessful. Others realised that given the structure of the company there would continue to be a lack of career advancement opportunities, after all “they (the managers) cannot just make up jobs”.

One person suggested that when he handed in his resignation, the manager did not seem surprised or ask was there anything that could be done so that he would stay. He felt at this stage the manager had resigned himself to the fact that the high turnover in the company was the new “norm” and that there was nothing that management could do.

There was a divide among those interviewed as to whether or not they were disappointed with the way they were managed in their time with Boras Co Plc. Some felt happy with their employment relationship. They felt that they had been treated well and that the manager’s door was always open to them.

However there were those who felt more than disappointed. One such comment to this end was that she felt “completely taken for granted, disposable and replaceable”. Others felt disappointed because they were left to their own devices for the most part of their time in the company. They felt that there was a lack of support shown to them.

A number commented that they felt that given that they were performing jobs of an employee “one or maybe two levels above them” that they were not getting due recognition for their efforts. Upon deciding to leave, one person concluded “what was the point of the extra effort when there are no opportunities to advance anyway?”

Of the eighteen questioned, the most recent resignation was just twelve months ago while the longest is nearing three years. All respondents who left to start another job remain in that job as of the time of the interviews. This would account for approximately 80% of those interviewed.

Exit Interviews

Finally, the questions used in the interviews under this theme related to whether or not each of the respondents attended an exit interview, who held this interview and the quality of the information that the respondent gave upon leaving Boras Co Plc.

80% of the respondents participated in an exit interview before leaving Boras Co Plc. Those who did not had either a brief chat with their immediate manager (team leader) or their department manager. In these cases the person was leaving on “good terms”, for example, they were returning to education and the manager had been fully aware of their plan to do so for some time and so it was deemed unnecessary to hold an exit interview as such.

Of those who did, in the majority of cases the person holding the interview was a senior person or manager from another department. Generally this person would have had little dealings with the employee who was leaving. However there were cases where the interview was held by the person’s immediate manager.

The timing of the interview also varied among all respondents. About 60% occurred in the week running up to the person’s last day. However there were cases where the interview was held as long as one month and as short as twenty four hours before the person’s last day.

The majority of the respondents felt that they had given an honest account as to the reasons why they were leaving. This was facilitated by the fact that the person attending was not a related manager. One person in particular admitted that they did not air their true feelings. The primary reason for this was that they had one more month left in the company and so did not want to raise any issues that might

make the remaining month difficult for them. They also said that they were not given the impression that her opinions would have been welcomed anyway.

Another commented that she didn't see the point of being honest, as the issues she had (pay) had been raised before without avail so "she hadn't the heart to go through it again at this late stage" when no changes could be made for her benefit or that would change her mind.

Few thought that the information that they gave in the interview would have been taken into consideration by management thereafter. One commented that her issues related to a particular manager. She felt that the person receiving the information in the exit interview seemed completely uncomfortable hearing it and so she doubted if what was said was ever passed on. Related to this point one respondent felt that the person holding the interview didn't want to hear the true reasons, had already drawn their own conclusions and so the employee was happy enough to go along with this.

Quite a few of the respondents felt that the exit interview was seen "a procedure" and that it wasn't the intention of management to use the information sourced as a way to gain insight into the levels of turnover.

These findings are they relate to the literature are discussed below.

Chapter 4

Discussion

Review of Research Aims & Objectives

In the way the literature review guides the research, the findings from this research will guide the discussion. In advance to discussing the findings the aims and objectives are revised. They are detailed as follows and are to:

- (a) Determine the true reasons why employees voluntarily leave their employment
- (b) Determine whether in fact people leaving for better pay is a myth or not
- (c) Determine if there is a correlation between informal recruitment and the retention of staff
- (d) Determine if there is a correlation between the use of induction and the retention of staff
- (e) Emphasise the role of the line manager in establishing successful staff retention
- (f) Determine if employees are concerned with developing their employability
- (g) Show that exit interviews are not the most useful tool for determining the reasons why employees leave, in spite of their high usage

The discussion will address each in turn.

True Reasons why Employees Leave

From the research that was completed for this study the most frequent reasons given as to why employees leave are as follows (see also p 46):

(a) Lack of opportunities to advance career	33%
(b) Salary/Benefits	22%
(c) Poor Relationship with line manager	16%
(d) Travel Opportunity	11%
(e) Unclear Expectations	6%
(f) Returning to Education	6%
(g) Other	6%

The reasons that came under “Other” related to wanting to move to another industry and pursue a different career.

Lack of opportunities to advance Career

The fact that the lack of opportunities for career advancement was identified as the number one reason why employees decide to leave a particular job comes as no surprise (33%). For example in a study completed by the CIPD (2004), 35% of employees who left their employment cited this reason, this statistic relates to Ireland alone and echoes the findings of this research. It would seem that the labour force in the financial services sector is also more focused on a career than previous generations.

As Schein suggested back in 1978 (p 92) it is no longer possible for management to take on employees without giving any thought to where this individual's career will be at in five years time or how they should be managed in the years down the line. This has become a new obligation for the employer in the modern psychological contract.

This is quite a high demand for most management teams. In today's environment the structure of a number of organisations is being made leaner and so the number of middle management positions are being reduced (Sparrow & Hillthrop, 1994). While it is not being suggested that managers create middle management jobs just for the sake of improved staff retention, there must be a conscious effort made to take an interest in the aspirations of their employees. This insight will allow the manager to understand what it is that motivates their employees, for example promotion or taking on extra responsibility, and actively cater for these needs (Bowditch & Buono, 2005). Failure to do so will only lead to increased voluntary departures as per Sturges and Guest (1999). The findings of study also lends to this argument.

Pay/Benefits

The second most popular reason cited for voluntarily leaving is pay. This will be discussed below (see p 57).

Poor Relationship with line Manager

The literature leads us to believe that the role of the line manager has a greater influence on staff retention levels of an organisation than that of pay. While the findings of this study may contradict this somewhat, the relationship with the line manager was the third most popular reason given for the decision to leave.

From the findings it would seem that the managers who the employees had difficulties with simply lacked the interpersonal skills needed for the role. Greville and Barry (2001) suggest that managers should see themselves as a HR Director for their department. In order to do this they must have received the training needed to meet the demands of the job.

Managers are often promoted to their management role based on their technical expertise; however this does not imply that they will also have the people skills for the job. People skills are as important as the technical skills if they are to be successful in the management role. Furthermore it would seem that as per Taylor (2002) these managers did not receive formal training in people management before taking on their first management role. It is vital that this training is provided so that the manager is fully competent in the HR side of their role. This research also highlighted this problem, as a number of the respondents commented that they “hated asking questions” of their immediate manager as it was “like committing a mortal sin”.

Ultimately this person is being put in charge of a team of employees, if they are not provided with the training to manage them successfully then the company must prepare themselves for the fall out that is voluntary departures, as was the case for some in Boras Co Plc.

Another interesting comment in this research highlighted the fact that the manager had difficulty recognising a job well done by a member of the team. Kreisman (2002) suggests that this is among one of the skills that a manager must develop if they are going to establish a working relationship with their staff that allows them to achieve the best they can for the organisation on a daily basis. After all employees like to think that they are fundamentally good people and so deserve to be treated accordingly.

Travel Opportunity

Over the last number of years, there has been a trend of young people leaving Ireland for a year of travelling, Australia being the most popular destination. Of those who cited travelling as their reason for leaving, it was interesting to probe this answer a little more. What came out of the findings was that when the opportunity to go travelling came about the individual had no hesitation to take it. Their jobs did not hold them back from this opportunity to travel for a year.

This is quite interesting for managers to consider. When an employee resigns because they are off travelling for a time, managers should not dismiss this as another employee who has been struck by the travelling bug. Instead they should ask why it is that they are so willing to leave their job and the company they have been with for the last number of years. Is it because they don't see any future in it? Or are their deeper problems?

Of those interviewed it seems that they hadn't made any progress in the job, didn't see any opportunities for advancement in the near future and so had no hesitation about leaving. This leads back to the lack of opportunities problem already discussed (see p 53).

Unclear Expectations

This problem relates to a number of stages of the employment relationship. Some employees felt that initially they were thrown into the deep end and left to their own devices to manage their work load. The expectation that there would be

support available to them from the start may be something that was communicated at the recruitment stage. It is important that the organisation gives what Taylor (2002) describes as a realistic job preview at the recruitment stage so that the employee and the employer have the same expectations from the start. This expectation is also something that is unconsciously demanded by a new employee through the psychological contract. It is unlikely that they expect, particularly if they are coming straight from college that they will have no one to turn to for support in the first few weeks of their employment. Employers need to become aware of this, put themselves into the shoes of the new employee and empathise with their situation. After all as Schein (1978) suggests it is the first impressions that determine the employee's future opinion of the organisation and in particular of their manager.

The ex employees interviewed also had unclear expectations about the amount of work and hours that they were expected to do. One person in particular said how she was "bogged down" with the work load with no "light at the end of the tunnel". It was an expectation that was not made clear to her at the start of her employment that the demands of the job would be so high and so when the reality of the job became apparent she felt cheated. Taylor (2002) warns that the employer must give an honest impression of the job at the recruitment stage; this has to incorporate the good points as well as the bad points.

Returning to Education and "other"

Staff turnover can be described as controllable or uncontrollable. It would seem that returning to education or deciding to move to another industry is something that the management of an organisation cannot control. This would lead to the conclusion that certain amounts of staff turnover are to be expected in any industry. Nevertheless there is a lot that management can do to reduce the effects of the other factors previously mentioned.

Pay & Staff Retention

The findings of this study agree with that of Zarandona and Camuson's study (1985) as pay/benefits was the second most frequent reason given for deciding to leave Boras Co Plc. It seems that while there are other factors to be considered, that money still remains one of the main deciding factors (22%).

While the ex employees felt that the pay was too low, the managers would be misguided to think that raising the levels of salary would bring their staff retention problems to an end. As per Kaye and Jordan-Evans the fact remains that "dollars don't drive retention" (2002, p 32). It is therefore important to recognise that there are other factors that are equally if not more influential on the decision made by employees to stay or go. Their research shows that it is the intrinsic rewards such as recognition and career advancement opportunities that provide the motivation to perform to the highest level, not money (Reed, 2001).

The research carried out for this study argues this suggestion somewhat.

Recruitment & Staff Retention

A significant number of ex employees questioned were recruited via a referral by a friend that was already working in Boras Co Plc. This can be described as a form of informal recruitment. Barber, (1998) suggests that there is a link between the informality of the recruitment method and the length of service of this employee. From the research completed for this study, this suggestion is not fully dismissed or verified. However, what can be deducted is that those who were recruited by referral found it easier to settle in. They had the advantage of knowing someone else in the office on a personal level from day one. They were able to depend on this person somewhat to introduce them to other people in the company, guide them through the job and provide support that it crucial in the first few weeks. It also takes the onus off the immediate manager a little, as they do not have to shoulder the responsibility alone.

The length of time someone will spend in a job may be determined by the extent to which they are "affectively disposed" as per Griffeth and Hom (2001).

Individuals who are more affectively disposed than others tend to move jobs more often. From this research the majority of respondents are in the same job they left Boras Co Plc to take. As 50% of the respondents spent between eighteen and twenty four months in Boras Co Plc it leads to the conclusion that there were other reasons for their chosen career path as opposed to Griffeth and Hom's "affectively disposed" theory.

Induction & Staff Retention

Overall it is fair to suggest that the induction programmes attended by the participants of this research lacked relevance. This needs to be addressed by Boras Co Plc as Taylor (2002) recommends, as induction is one of the most important stages of the employment relationship.

It is in the first few weeks that an employee decides whether they will stay or go, according to a CIPD study (2004). For this reason it is important that effective induction occurs within this crucial time frame. Preferably induction should happen as close to the new recruits first day as possible. We see in Boras Co Plc that some of the programmes took place a few weeks into the job. At this time the employee's first impression is well determined (Schein, 1978).

While the literature shows that the decision to leave occurs in the first few weeks, this research work showed that it was not until at least one year was completed that the initial thoughts of leaving occurred (see Figure D, p 46).

To improve the effectiveness of the induction programme, the line managers need to involve themselves in devising the programme's content. It is not enough for the programme to be a "tick the box" exercise or something that is just a procedure. It must add value.

According to the research the age profile of the staff at Boras Co Plc is relatively young. Reed (2001) warns that management cannot underestimate the benefits of socialising as a form of induction for this age group. This was commented on in the research conducted for this study also.



Line Manager & Staff Retention

As we have seen the findings of this research echo that of the literature in that the relationship with the line manager is very influential on the levels of staff retention in an organisation (see p 54). A further point for organisations to note is that the manager is involved in every aspect of the employee's employment relationship with the organisation. There is therefore an obligation on the organisation to ensure that the line manager is competent in all the HR activities that are incorporated in their job. This involves their skills in recruitment practices, their skills in managing performance, and their skills in managing the individual employee's career. Each stage ultimately affects the levels of staff retention that an organisation may enjoy or suffer.

A study by the CIPD (2002) has shown that a large number of HR managers are concerned with their line manager's ability to handle people issues. This would appear to be a problem facing Boras Co Plc also. According to the findings the ex employees were not comfortable asking questions of their managers or did not feel that they were "important enough" in the eyes of their immediate managers. Organisations must remember that the line managers are the face of the organisations, employees are no longer loyal to an organisation but to a particular manager (Greville & Barry, 2001).

Employee's concern with Employability

The number one reason why employees left Boras Co Plc was that there was a lack of career advancement opportunities (see p 47). This leads to the conclusion that Taylor's (2002) suggestion that employees choose an opportunity to develop their employability over an opportunity of a job for life would be true. This leaves managers in a "catch 22" situation.

There is a decision here for managers to make. If the organisation decides that the training that they provide will be all job-specific, are they then running the risk that some of the employees will decide to leave because they are not being given the opportunity to develop their employability. We have seen this at Boras. Alternatively, the other option is to decide that the company will provide training

geared towards developing the employability of their staff, but in doing this they run the risk of giving the employees extra scope to ultimately leave the company for a job that will allow them to use these new skills. While it is a “grey area” for organisations they must realise that the labour market demands that employees take responsibility for developing their knowledge and skills and if the organisation they are with does not understand this and cater for their needs then they ultimately become frustrated and leave so as to advance their careers (Hall & Associates, 1996). This is the direction that the labour market is taking, in order to remain competitive in this market, organisations need to evolve with the changes.

Exit Interviews as a Management Tool

It would seem from the research that exit interviews are the sole method used by Boras Co Plc to determine the reasons why employees leave. While they are criticised as a method, (Zarandona & Camuson, 1985) they are probably the most time efficient option available, the others being exit surveys and staff attitude surveys (CIPD, 2004. See also p 14).

To maximise the contribution exit interviews make to the management of staff retention, organisations must ensure that they are used properly. Wherever possible the person holding the interview should be completely unrelated to the employee who is leaving. Confidentiality must be assured to the employee and the interview should take place during the employee’s last week. All these factors will encourage the employee participating to be honest about their feelings without consequence.

By taking this approach, the chances that the exit interviews will add value to the organisation are increased. However, it seems that more effort is needed. In Boras, employees were still not comfortable enough to be honest about their reasons for leaving even when the person holding the interview was not their immediate manager. Management need to change their attitude towards exit interviews and view the information given as an insight into why employees are leaving as opposed to an opportunity for the employee leaving to complain.

They should also ensure that the managers who are holding the exit interviews are completely trained so that they encourage the participant to share information even if it is not the kind of information that they want to hear. The manager must also communicate to the employee taking part in the interview the importance and purpose of the interview and encourage them to be honest.

Chapter 5

Conclusions

Aims & Objectives

At this point each of the aims and objectives need to be looked at individually so as to determine if they were met through the research carried out.

(a) Determine the true reasons why employees voluntarily leave their employment

From the research it would seem that the vast majority of staff turnover is within the control of the organisation's management. This is primarily due to the fact that employees are particularly concerned with developing their employability and ultimately establishing a career for themselves.

Management need to recognise this emerging trend in the labour force and adapt their organisation accordingly in order to continue to be a competitive employer in the labour market.

Organisations must also change their attitude toward staff retention. It is not a phase that every company goes through; typically the reasons behind the poor levels of staff retention are completely within the control of organisations. If a company decides that they need to address a problematic staff turnover record, they need to listen to their employees and understand what it is that motivates them and what it is that they value in their employment relationship.

(b) Determine whether in fact people leaving for better pay is a myth or not

The second most popular reason given by the ex employees of Boras Co Plc for deciding to leave the company was that of pay and benefits. This is interesting as the literature would suggest that other factors such as the relationship with the line manager would be more influential.

Despite the findings of the research, companies must ensure that they are not relying on their pay policies alone as a means of managing their staff turnover levels. Pay does not motivate every employee the same way; others may value being given extra responsibilities more highly than the rate of pay they receive.

Please see the next chapter; recommendations for further research for further comments (see p 68).

(c) Determine if there is a correlation between informal recruitment and the retention of staff

The findings of this research were inconclusive with regard to this aim. There was no significant difference in the length of service of those recruited via a recruitment agency and those recruited via a referral by a friend.

Organisations do need to note however that employees who were referred by a friend did find it easier to settle in. Given this, the management may consider encouraging current employees to refer someone who they would think suitable. This would be best done by providing some financial reward to those whose referral was successful. While there is currently this practice established in Boras, it would be worth considering making the employees more aware of it.

(d) Determine if there is a correlation between the use of induction and the retention of staff

As the participants of this research felt that the content of the induction programme they attend was generally lacking in relevance, it was difficult to determine if there was a correlation between the use of induction and the retention of staff.

Socialisation of new employees is vital, especially if this is the first job the employee has after college. Efforts must be made by the management of Boras Co Plc to use induction more effectively so that it adds value. Most of the respondents to this research would have completed their induction with Boras approximately four years ago on average. From speaking with the company I know that changes have since been made to the content of the programme and team leaders and line managers are more involved in its formulation. This should continue to be the case. Furthermore those responsible for the programme should try to gauge the opinions of new employees who complete the programme after a few months so as

to determine the contribution it makes to their success in settling into their new role.

(e) Emphasise the role of the line manager in establishing successful staff retention

The literature and the findings from the research carried out further emphasise how vital the line manager's role is in successful staff retention. The organisation must recognise this and ensure that all the necessary training is continually provided to those responsible for people management, particularly those new to the role.

Line managers must be as competent in people management as they are in their area of technical expertise. Organisations can communicate this importance to their line managers by including the behaviours necessary for people management in their performance goals. If people are rewarded for certain behaviours they are more likely to demonstrate them.

(f) Determine if employees are concerned with developing their employability

This aim leads on from the first one dealt with above (see p 63). From the findings it seems conclusive that employees are primarily concerned with establishing a career for themselves. In today's labour market it is a responsibility of the employee to develop their knowledge and skills. They achieve this by developing their skills in the jobs that they take. There is a need for advancement and progression among today's work force. It is fair to say that the days where employees took on a job for life are truly gone.

It is the organisation which recognises this that benefit as they are providing their employees with what they value. We have seen from the literature that other studies have shown that it is the organisations who take the time to find out what their employees value that enjoy the benefits of increased organisational performance.

(g) Show that exit interviews are not the most useful tool for determining the reasons why employees leave, in spite of their high usage

The research shows that there are definite weaknesses in the use of exit interviews. Most people are not completely honest when they are asked the reason for the decision to leave. This is due to two reasons primarily. One, they may not be comfortable giving this sensitive information to the person who is holding the interview, particularly if they had a working relationship with this person in the past. The second reason for the weakness is that the timing of the interview influences the quality of the information given. The interview needs to be held at a time that is most conducive to the person by frank with the organisation.

While the method has its flaws it seems that there are ways for the organisation to improve their effectiveness quite simply. If there is a need to understand the staff turnover levels then the organisation must make the effort to achieve these improvements.

Chapter 6

Recommendations for Further Research

Other Areas of Interest

While completing this study a number of questions emerged that would be of interest to research at another time but which were not possible to address within the scope of this paper. They are as follows:

- (1) With the eighteen individuals used in this research it was not possible to conclude if there was a correlation between the informality of the recruitment practice and the length of service of the employee. A bigger sample size would be needed in order to thoroughly investigate this possibility. However this research would be worthwhile as if there were a positive correlation more organisations would be favourable to establishing a policy within their company which encouraged their current employees to refer on a friend who may be looking for a job. It also provides the organisation with an inexpensive way of sourcing job candidates in the future.

- (2) We have seen from this research that pay and benefits are still prominent reasons why employees decide to leave a company. Without implying any discrimination or ageism, it would be interesting to see if pay played as big a deciding factor with older employees. As all the respondents in this research were between twenty one and twenty nine years, would it be possible that priorities change among older employees?

- (3) It may also be interesting to see if there is any correlation between the length of service of an employee and the amount of job specific training that they receive. As the debate of developing employability and developing job specific skills remains unanswered this research may have some interesting conclusions.

Bibliography

Abassi, S.M. & Hollman, K.W. (2000). Turnover: The real bottom line. *Public Personnel Management*. Volume 29. Issue 3.

Aksehirli, Z. & Lau, E. (2002). *Employee Engagement: Navigating the High Road in Uncertain Times*. Harrt Quarterly, Spring.

Barber, A.E (1998). *Recruiting Employees*. Thousand Oaks, CA. Sage.

Bowditch, J.L. & Buono, A.F. (2005). *A Primer on Organisational Behaviour*. New Caledonia. John Wiley & Sons Inc.

Cappelli, P “Easy Come, Easy Go”, from *People Management*, January 25, 2001

CIPD. (2002) *Where we are, Where we are Heading*. Available as www.cipd.co.uk/surveys

CIPD. (2003) *Managing the Psychological Contract*. May. Available at www.cipd.co.uk/surveys

CIPD. (2004) *Employee Turnover and Retention*. July. Available at www.cipd.co.uk/surveys

CIPD. (2004) *Recruitment, Retention and Turnover*. July. Available at www.cipd.co.uk/surveys

Dibble, S. (1999), *Keeping your Valuable Employees – Retention Strategies for your Organisation’s Most Important Resource*. New York. John Wiley and Sons Inc.

Dillman, D.A. (1978). *Mail and Telephone Surveys: The Total Design Method*. New York. Wiley.

Dreher, G. & Dougherty, T. (2001), *Human Resource Strategy. A Behavioural Perspective for the General Manager*. New York. McGraw-Hill Higher Education.

Drucker, P. (1998) Management's New Paradigms. *Forbes*. October 1998.

Easterly – Smith, M., Thorpe, R. and Lowe, A. (1991). *Management Research, An Introduction*. London. Sage.

Emory, C.W. & Cooper, D.R. (1991). *Business Research Methods*. 4th Edition. Boston. Irwin.

Fink, A. (1995). *The Survey Handbook*. Thousand Oaks. California. Sage.

Fowler, J.F. Jr. (1993). *Survey Research Methods*. 2nd Edition. Beverly Hills. Sage Publishing.

Green F., Felstead, A., Mayhew, K. & Pack, A. (2000). The impact of training on labour mobility: individual and firm level evidence from Britain. *British Journal of Industrial Relations*. 38.2

Gregg, P. & Wadsworth, J. (1999), *Job Tenure 1975 - 1998*. In P. Gregg and J. Wadsworth (eds) *The State of Working Britain*. Manchester. Manchester University Press.

Greville, M. R. & Barry, F. (2001). *Capturing the talent: is it finders keepers? Strategic Retention*. Dublin. Irish Management Institute.

Griffeth, R. & Hom, P. (2001). *Retaining Valued Employees*. Thousand Oaks, CA. Sage.

Hakim, C. (1982). *Secondary Analysis in Social Research*. London. Allen & Unwin.

- Hall, D.T. and Associates. (1996). *The career is dead, long live the career*. San Francisco. Jossey - Bass Publishers.
- Healey, M.J. & Rawlinson, M.B. (1994). *Interviewing Techniques in Business and Management Research* in Wass, V.J. and Wells, P.E. (eds) *Principles and Practice in Business and Management Research*. Aldershot. Dartmouth...
- Hermon, R.E. (1999). *Keeping Good People – Strategies for Solving the # 1 Problem Facing Business Today*. Winchester, VA. Oakhill Press.
- Hom, P. & Griffeth, R. (1995). *Employee Turnover*. Cincinnati OH. South Western College Publishing.
- Hughes, C. (1996). *How to Research*. Buckingham [UK]. Bristol. PA: Open University Press.
- Kahn, R. & Cannell, C. (1957). *The Dynamics of Interviewing*. New York and Chichester. John Wiley.
- Kaye, B & Jordan – Evans, S. (1999). *Love em or Lose em – Getting Good People to Stay*. San Francisco. Berrett – Koehler Publishers, Inc.
- Kaye, B. & Jordan – Evans, S. (2002). Retention in the tough times: Here's what 25 Global Talent Leaders Say about Keeping Good People – Especially Now. *Training and Development*. Vol 56 Issue 1, January 2002. pp 32
- Kreisman, B.J. (2002). *Insights into Employee Motivation, Commitment and Retention*. Denver. Ph.D Research/White Paper.
- Lee, T. & Mitchell, T. (1994). An Alternative Approach: the Unfolding Model of employee turnover. *Academy of Management Review*. 19.1
- Marshall, C. & Rossman, G.B. (1989). *Designing Qualitative Research*. Newbury Park. California & London. Sage.

Mobley, W. (1977). *Intermediate linkages in the relationship between job satisfaction and employee turnover*. In Steers, R & Porter, L. (eds) *Motivation and Work Behaviour*. New York. McGraw – Hill.

Philips, J.M. (1998). The effects of realistic job previews on multiple organisational outcomes: a meta analysis. *Academy of Management Journal*. 41

Reed, A. (2001). *Innovation in Human Resource Management: Tooling up for the Talent Wars*. London. CIPD

Robson, C. (1993). *Real World Research*. Oxford. Blackwell.

Saunders, M., Lewis, P. & Thornhill, A. (1997). *Research Methods for Business Students*. London. Pitman Publishing.

Schein, E. (1978). *Career Dynamics: Matching Individual and Organisational Needs*. Massachusetts. Addison – Wesley Publishing Company, Inc.

Sparrow, P. & Hilltrop, J.M. (1994). *European Human Resource Management in Transition*. Hertfordshire. Prentice Hall Europe.

Sturges, J. & Guest, D. (1999). *Should I stay or should I go?* Warwick. Association of Graduate Recruiters.

Taylor, S. (2002). *The Employee Retention Handbook*. London. CIPD

Thomas, K.W. (2000). *Intrinsic Motivation at Work – Building Energy and Commitment*. San Francisco. Berrett-Koehler.

Torrington, D. (1991). *Management Face to Face*. London. Prentice Hall.

Tross, S. & Egermann, M. (2004). *Employee-Manager Relationship Duration: Effects of Perceived Supervisor Career Development Support and Voluntary Turnover*. Society for Industrial and Organisation Psychology Annual Conference.

Wanous, J.P. (1992). *Organisational Entry: Recruitment, Selection, Orientation and Socialisation of Newcomers*. Second Edition. Reading, MA. Addison-Wesley.

Zarandona, J. & Camuso, M. (1985). A Study of Exit Interviews: Does the Last Word Count? *Personnel*. 62.3

Zikmund, W.G. (1994). *Business Research Methods*. Fort Worth. Dryden Press.

Appendices

Appendix A

Table 18: Labour turnover rates, by industry sector (UK and Ireland) (%)

	All leavers		Voluntary turnover	
Manufacturing and production	13.8	(169)	6.5	(150)
Agriculture and forestry	20.7	(3)	3.1	(3)
Electricity, gas and water	8.6	(5)	5.2	(4)
Engineering, electronics and metals	12.0	(45)	5.4	(41)
General manufacturing	13.0	(22)	8.2	(18)
Textiles	13.5	(3)	9.6	(3)
Chemicals, pharmaceuticals and oil	11.7	(22)	5.8	(21)
Mining and quarrying	15.4	(4)	11.6	(3)
Construction	20.2	(18)	14.8	(17)
Food, drink and tobacco	21.0	(10)	6.6	(9)
Paper and printing	9.7	(10)	4.2	(9)
Other manufacturing and production	16.4	(27)	7.8	(22)
Construction	20.2	(18)	14.8	(17)
Food, drink and tobacco	21.0	(10)	6.6	(9)
Paper and printing	9.7	(10)	4.2	(9)
Other manufacturing and production	16.4	(27)	7.8	(22)
Voluntary, community and not-for-profit	15.5	(37)	10.4	(31)
Housing association	17.6	(16)	10.2	(15)
Charity services	11.7	(8)	11.1	(5)
Care services	17.5	(7)	12.7	(6)
Other voluntary	15.4	(6)	10.0	(5)
Private sector services	20.5	(243)	12.9	(220)
Professional services	12.5	(31)	9.5	(26)
Finance, insurance and real estate	16.0	(48)	11.5	(45)
Hotels, catering and leisure	45.7	(17)	34.0	(17)
IT services	18.7	(28)	9.3	(26)
Call centres	50.9	(6)	33.4	(6)
Media and publishing	22.9	(8)	16.5	(7)
Retail and wholesale	27.2	(42)	17.8	(37)
Transport and storage	17.8	(17)	10.1	(17)
Communications	27.1	(8)	18.1	(6)
Other private services	18.1	(38)	12.4	(33)
Public sector services	12.4	(81)	7.5	(72)

Source: Recruitment, Retention and Turnover Survey, CIPD, July 2004

Appendix B

April 10th 2005

Dear "Ex Colleague"

As you may remember I am currently completing my Masters in Human Resource Management in the National College of Ireland. As part of the final assessment I have to pick an area of interest and complete a research thesis to be handed in this June.

The area that I have chosen to research is that of staff retention and particularly why employees voluntarily leave their employment. I am basing the research on Boras Co Plc and I would be grateful if you would be willing to participate in the study.

At the moment I am completing a review of the literature on the area. This will allow me to devise questions that will help to address the aims and objectives of the research. Once this is completed I will, with your permission, arrange to conduct an interview with you.

In advance of this interview I will provide you with a list of the areas and questions that will be covered so that you are able to prepare your thoughts in advance.

The real name of the company is being withheld for the purpose of this study and the management at Boras are aware of the research being carried out. In order to assure confidentiality, your name will not be used in the study either or communicated to the management at Boras.

If you have any questions that you would like to ask me please feel free to contact me as detailed below.

I look forward to hearing from you and to working with you again in the near future.

Kind Regards

Kate Sheridan

Tel:

Email:

Appendix C

The Revolving Door Phenomena

**A qualitative study as to why employees voluntarily leave
their employment with Boras Co Plc, a leading Financial
Services Company in Ireland.**

Questionnaire for past Employees

18th May 2005

General Questions

Please give an indication of your age:

Age

< 21

21 – 25

26 – 29

30 or over

(please encircle most

applicable)

How long did you work with Boras Co Plc? _____

Recruitment

(1) How many jobs had you had by the time that you applied to Boras Co Plc?

(2) What did you know about Boras Co Plc upon applying for a job?

(3) Were you asked about your knowledge of the company during the recruitment process with Boras?

(4) Why did you apply for a job with Boras Co Plc?

(5) Were you recruited formally (ie CV submitted for particular position) or informally (referral) for your job with Boras?

On the Job

(1) Did you complete an induction programme upon accepting the job offer?

(2) If yes, did you feel that the programme prepared you for the job once you started?

(3) In the first few weeks of the job, did you know who you could turn to for help?

(4) How did you feel during the first few weeks? Were you.....

Excited – Happy – Anxious – Lost – Stressed – Unhappy – Other

What contributed to you feeling this way?

On the Job continued....

- (5) Do you feel that you were given every opportunity to develop your employability while working with Boras? Through job specific training and skills development etc?
- (6) Were you encouraged to develop your skills?
- (7) Tell me about your relationship with your immediate manager?
- (8) Do you feel that this person took an interest in you as an individual? Cared about your development?
- (9) How many positions/roles did you hold in your time with Boras Co Plc?

Deciding to leave

(1) How long were you with Boras Co Plc before you first decided to leave?

(2) How long after did you hand in your notice?

(3) Would you say that it was an impulse decision or one that you were building up to for some time?

(4) Which of the following best describes your reason for leaving?

- a. Poor Relationship with immediate manager
- b. Inability to use core skills
- c. Lack of opportunities to advance career
- d. Unclear expectations – Job Description did not match with reality
- e. Salary/Benefits
- f. Travel Opportunity
- g. Returning to Education
- h. Relocation
- i. Other (*please give details*)

Deciding to leave continued....

(5) What do you think the organisation would have done to prevent you from resigning?

(6) Upon leaving did you feel at all disappointed with how you were managed in the organisation?

(7) How long is it since you left Boras Co Plc?

(8) How many jobs have you had since?

Exit Interviews continued....

(5) Did you take this opportunity to give your honest reasons for leaving?

(6) If yes, how do you think the information you gave was treated by the managers?