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REVIEW OF FACTORS WHICH CONTRIBUTE TO GRADUATE EMPLOYEES’ INTENTION TO STAY IN SOUTH AFRICA

By
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COMPULSORY DECLARATION
This work has not been previously submitted in whole, or in part, for the award of any degree. It is my own work. Each significant contribution to, and quotation in, this dissertation from the work, or works of other people has been attributed, cited and referenced.

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Abstract

In the past decade, human resource practitioners have focused their attention on employee retention. They have tried various practices in order to keep their employees in the organisation for longer. The research gap identified is in the graduate employees’ intention to stay context. There has been even less research in this field within South Africa. This study aims to examine the extent to which career advancement opportunities and supervisor involvement contribute to graduate employees’ intention to stay. In addition, this study focused on four factors namely, career progression, continuous learning, performance management and recognition in analysing the extent to which these four factors have contributed to graduate employees’ intention to stay. Job satisfaction and affective commitment were also examined for their mediational effects on the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay. Graduate employees working in South African organisations participated in a self-report, quantitative survey ($N = 357$). Whilst the exploratory factor analysis of the intention to stay revealed a unidimensional factor, it was interesting to note that career progression and continuous learning loaded onto one distinct factor, labelled as career advancement opportunities. The multiple regression analysis indicated that career advancement opportunities and supervisor involvement were statistically significant predictors of intention to stay. Process mediation was used to test whether job satisfaction and affective commitment were mediators between career advancement opportunities, supervisor involvement and intention to stay. It was found that both job satisfaction and affective commitment were significant partial mediators in the abovementioned relationship. The study discusses suggestions for future research and the implications, both theoretical and practical, associated with the study.

*Key words:* Intention to stay, career advancement opportunities, performance management, recognition, graduate employees, South Africa.
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Chapter 1: Introduction

Evidence suggests that successful companies owe their success to their human capital (Van Dick et al., 2004). The efficiency and effectiveness of organisations are a product of its employees, therefore organisations constantly aim to retain talent (Dywili, 2015). A recent article written in the Harvard Business Review cited some concerning numbers regarding employee retention. It was found that 40% of employees were planning on looking for jobs within the following six months of when the article was published, while 69% of employees stated they were passively searching for jobs (Williams & Scott, 2012). It therefore becomes increasingly important for employers to develop strategies to keep their employees in the company for longer. According to recent statistics released by the Department of Labour in the United States, in this context the average length of service which employees commit to at a single company is 1.5 years (Efron, 2013). This alone provides evidence for the problem companies are facing in terms of retention, particularly regarding the employees’ intention to stay in the companies.

Many organisations globally and locally are implementing a selective recruitment process to attract an elite group of university graduates and thereafter to develop them to be the future leaders of the organisation (Sturges, Guest, Conway, & Davey, 2002). As the economy is subjected to rapid, ongoing change, the demand for graduate talent is increasing (Ferreira, 2012). The trends in research reveal that attracting, and in particular retaining, these graduate employees are both critically important for the future success of the organisation (Ferreira, 2012).

The benefits of retaining employees in the organisation are three-fold, including significant cost savings, together with improved quality and productivity which improves work efficiency. Additionally, it enhances employee morale and satisfaction, such that it increases loyalty to the organisation, whilst reducing absenteeism (Oladapo, 2014; Prospects, 2003). The benefits for the employees include ongoing development of both skills and knowledge with the provision of career development opportunities. Furthermore, continuity of employment will decrease the stress associated with changing jobs and enhance the employees’ values and organisational culture by facilitating their sense of belonging to their organisation (Oladapo, 2014; Prospects, 2003). Therefore, it is in the organisations’ best interests to keep their graduate employees.
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Against the background described above, it has become increasingly important to analyse the factors that are keeping graduate employees in an organisation. The researcher will consider the key factors that contribute to whether graduate employees elect to stay in the organisation. These factors include career progression, continuous learning, performance management and recognition, which represent diverse indicators in the employee-organisation relationship (EOR) (Kuvaas, 2008). The researcher will examine the career advancement opportunities and the supervisor involvement factors that predict graduate employees’ intention to stay in an organisation and whether job satisfaction and affective commitment mediate this relationship.

**Research Aims**

This study is expected to enhance the existing knowledge pertaining to the literature relating to retention, and more specifically the intention to stay, of graduate employees. Furthermore, this study aims to shed further light on the graduate employees’ intention to stay in the organisation. In practical terms, the new knowledge gained from analysing the relationship between the career advancement opportunities, supervisor involvement and graduate employees’ intention to stay will assist employers in focusing their time and resources on these areas. Employers will benefit from a long-term return on their investment in their graduate recruits. This study will be particularly relevant to South African employees as the participants will have been studied in a South African organisational context. In addition, the findings in this study will enhance the findings used by human resource practitioners by providing insights from South African graduate employees’ views (Ferreira, Basson, & Coetzee, 2010). Human resource practitioners will be able to make use of this research in their retention strategies for graduate employees in an organisation, therefore focusing on the relevant factors that contribute to graduate employees’ remaining in the organisation.

**Research Questions**

1) To what extent does the opportunity for career advancement and supervisor involvement contribute to graduate employees’ intention to stay in an organisation?
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2) Does job satisfaction mediate the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay in an organisation?

3) Does affective commitment mediate the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay in an organisation?

Structure of the Dissertation

This chapter provides background information on, and motivation for, the research topic, the relevant aims of the research and the research questions that the study intends to answer. The next chapter of the dissertation presents a review of all the literature with a theoretical framework which provides a thorough analysis from various sources in order to propose three hypotheses, which are presented in this chapter. The third chapter describes the research methods used to obtain the data for investigating the research hypotheses. It specifically refers to the research design used, the participants sampled, the measuring instruments used, the procedure that was followed and in addition, the statistical analyses used in the study. In Chapter Four, the results of the statistical analyses are presented in order to test and confirm the research hypotheses, which include testing of several scales’ psychometric properties, descriptive analysis, correlation analysis, regression analysis and mediation analysis. Following this, Chapter Five presents the interpretation and discussion of the main findings referring to the literature and the theoretical framework. The chapter concludes by presenting limitations of the study, implications for organisations and recommendations for future research.
Chapter 2: Literature Review

The literature review presents the theoretical framework used to describe employee retention through intention to stay. Following this, the factors relating to intention to stay with the relevant citations are represented in a table and then particular attention is paid to the reasoning behind using career progression, continuous learning, performance management, job satisfaction and affective commitment in this study. In addition to the discussions of the constructs, a detailed review on the literature is presented on the relationships between the constructs and intention to stay, with specific reference to graduate employees in South Africa. Accordingly, the hypotheses of the study are presented. Finally, the research framework presents the integrated conceptual framework of the variables to be tested in this study.

Theoretical Framework

Retention. Retention refers to the voluntary investment by organisations to provide their employees with an engaging environment in order to ensure that these employees remain committed to the organisation for a long term (Chaminade, 2007). A common definition of retention is the ongoing relationship between the organisation and the employee (Sinha & Sinha, 2012). Although employee retention is represented by a statistic that provides the number of employees an organisation kept over a given period, it is mostly considered as the strategic efforts that employers make use of in retaining employees (Oladapo, 2014).

Organisations invest in retention in order to prevent competent employees from leaving as this could result in negative effects on the success of the organisation (Samuel & Chipunza, 2009). While it is important for organisations to invest in retention of employees, most managers in South Africa find retaining key employees to be one of the most challenging aspects of their jobs (Litheko, 2008). Further to this challenge, a study conducted on human resource (HR) professionals in the United States of America (USA) found that more than 75% of the respondents stated that retention of competent employees was the top HR problem they faced (Segbenya, 2014). The global retention problems affect the developing countries in particular as employees leave their organisations to seek out better job opportunities (Pritchard, 2007). The concept of retention is a complex one as it does not
involve a particular, single method to follow to ensure employees stay in the organisation (Sinha & Sinha, 2012). Several factors have been identified in the literature as the drivers of retention, these include organisational culture, strategy, pay and benefits, and career development systems (Logan, 2000). According to Johnson, Barksdale and Boles (2001), job satisfaction and employee motivation are commonly occurring factors in studies on employee retention, and have also been found to encourage employees to remain in the organisation. Employee turnover is therefore regarded as an indication of the deeper issues that have not be resolved, such as an unclear career path, lack of recognition, poor employer-employee relationships, or diminished employee morale (Oladapo, 2014). The cost implications of losing a key employee are so high that, even when employers spend time and money on employee development or talent management programmes for their existing employees, the costs involved are less than the costs involved to acquire new talent (Sinha & Sinha, 2012). This is due to the organisation having already expended the initial costs on attracting the employees. They are able to focus on the wants and desires of the existing employees, ensuring they remain loyal to the organisation (Sinha & Sinha, 2012).

Inability to retain talented employees can negatively affect an organisation’s ability to thrive in today’s competitive economy (Stovel & Bontis, 2002). It is for this reason that organisations need to take active steps in exploring and understanding the factors that contribute to employee retention (Dywili, 2015). It is particularly important to explore these factors amongst graduate employees in the South African workforce as the retention of new graduate employees has been cited as a major challenge facing many South African organisations (Pop & Barkhuizen, 2010). The high turnover among graduate employees is due to their ability to seek and follow other employment opportunities, because of the undersupply of skilled labour in the South African market (Pop & Barkhuizen, 2010). Newly appointed graduate employees are not as loyal to their organisations as general employees, which makes it easier for them to leave, and this also provides an explanation for them constantly searching for better opportunities to pursue (Pop & Barkhuizen, 2010). This is prevalent in the South African Information and Communication Technology (ICT) Sector, as a study conducted on ICT skills found that there were 104 000 vacancies in 2006 alone, resulting in 46% of unfilled posts (Paterson, 2007).

Developments in the research reveal that retention strategies had to be redefined in order to adapt to the organisational changes present in modern society (Sinha & Sinha, 2012).
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Therefore the modern retention strategies should no longer focus on salary, benefits and compensation, but rather support employee motivation, thus, ensuring that diversity amongst the employees are catered for and contributing to their long-term commitment to the organisation (Sinha & Sinha, 2012). Consequently, retention factors that integrate employees’ needs and desires are likely to improve their levels of job satisfaction, loyalty and commitment (Sinha & Sinha, 2012). According to Cunningham (2002), the highest ranked factors that contribute to employees staying in the organisation are, employee recognition, flexibility and training, while Walker (2001) reports that a supportive learning and working climate are noted as enhancing employee retention.

Due to the ever-changing workforce, the concept of a permanent employee is known as a notion of the past (Manlove & Guzell, 1997). This is explained by means of the psychological contract between the employer and the employee in which it is expected that there will be a long-term commitment by either party (Lee, 2001). Therefore, retention is an important and prevalent challenge for HR practitioners in order to ensure that talented employees remain in the organisation and help reach the organisational goals and objectives (Segbenya, 2014).

This study will present data on the ‘stay’ factor as there is limited research regarding intention to stay in the South African graduate employee context.

**Intention to stay.** Intention to stay refers to the willingness and desire of an employee to continue in the employ of the organisation (Kim, Price, Muller, & Watson, 1996). Social scientists and practitioners have been challenged by two very important questions regarding employee retention, “Why do people leave?” and “why do they stay?” (Mitchell et al., 2001). Regardless of the extensive literature on employee turnover, which focuses on the reasons why employees quit (Griffeth, Hom, & Gaertner, 2000), less research have been done and little is known regarding the factors that cause employees to stay in the organisation (Hausknecht, Rodda, & Howard, 2009). Therefore, it is important to examine the factors that cause employees to stay in the organisation as these factors are known to be dissimilar to those that cause them to leave (Steel, Griffeth, & Hom, 2002). The reason for this dissimilarity can be described by means of an example. An example is an employee who works at an engineering company and is tempted to quit and take up a position at a corporate company as they have better benefits. However, the employee elects to stay with the current
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company because she likes the people she works with. Therefore, the employees’ motive for staying was different from her motive for quitting (Steel et al., 2002). Another reason for using intention to stay as the focal point in this study was that graduate employees are still employed in the organisation to provide relevant information to their managers regarding their intentions for staying, which yielded more direct and actionable results compared to the research awaiting termination of employment (Mustapha, Ahmad, Uli, & Idris, 2010). Human resource practitioners obtained the reasons for employees leaving the organisation during their exit interviews, but George (2015) noted that it is more important to ascertain the organisational characteristics that keep employees in the organisations, rather than continually exploring those that drive them to leave. Intention to stay is accepted and known in the literature as the best predictor of turnover over any other antecedent of turnover (Igbaria & Greenhaus, 1992; Tett & Meyer, 1993). Various studies found that intention to stay had a strong negative relationship with turnover, and these factors provide the reason for exploring the relationships between this concept and other variables in this study (Carsten & Spector, 1987; Iverson, 1996; Steel & Ovalle, 1984).

The negative implications that occur when an employee leaves the organisation further shows that more concern should be given to intention to stay as opposed to turnover (Mustapha et al., 2010). It has come to top level managers’ attention that the cost implications of employees leaving their organisations are of a significant concern (Mitchell, Holtom, Lee, Sablynski, & Erez, 2001). Turnover produces both tangible and intangible costs to the company (Zhang, Fried, & Griffeth, 2012). A substantial cost to an employer is incurred in replacing and then developing the employee who has left the organisation (Alias, Noor, & Hassan, 2014; Netswera, Rankhumise, & Mavundla, 2005). The replacement costs include advertising, recruitment expenses, induction, training and reduced productivity until the new employee is sufficiently developed to fulfil the expected role in the organisation (Netswera et al., 2005; Zhang et al., 2012). With the loss of key employees comes lost productivity which inevitably results in a loss of profitability in the organisation (Alias et al., 2014; Netswera et al., 2005). The departure of employees is further detrimental as the loss of their knowledge, experience and know-how has a negative effect on the organisation (Alias et al., 2014). Furthermore, turnover reduces employee morale and customer satisfaction (Zhang et al., 2012). The considerable cost associated with attrition of key employees in South Africa has led organisations to increase their investment in the selection and retention of elite graduate
employees (Pop & Barkhuizen, 2010). It is consequently essential that these companies spend a considerable amount retaining these selected graduate employees (Van Dick et al., 2004).

Trends in the literature show that graduate employees who have a positive work-related experience and who are satisfied with their jobs are more likely to remain with their organisation (Ferreira, 2012). The South African Graduate Employers Association (SAGEA) candidate survey conducted amongst graduate employees in South Africa in 2014 identified the top factors that are persuading graduate employees to stay in the organisation, namely training and development opportunities and promotions. Therefore, this study will further investigate the factors that keep graduate employees in the organisation, through reliable and valid measures to ensure that consistent and accurate results are obtained.

Cardy and Lengnick-Hall (2011) stated that there are numerous factors that influence employees, including graduates to remain in the organisation. Some of the most popular factors cited as relating to intention to stay are presented in Table 1 below. In order to investigate whether these factors are relevant to graduate employees specifically, this study will particularly be engaging in the factors that keep graduate employees in the organisation.

Table 1

<table>
<thead>
<tr>
<th>Factors</th>
<th>Citations/Authors</th>
</tr>
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<tbody>
<tr>
<td>Career Progression</td>
<td>Oakland &amp; Oakland (2001)</td>
</tr>
<tr>
<td>Continuous Learning</td>
<td>Vorhies &amp; Harker (2000)</td>
</tr>
<tr>
<td>Performance Management</td>
<td>Decramer et al. (2014); Van Riel, Berens, &amp; Dijkstra (2009)</td>
</tr>
<tr>
<td>Affective Commitment</td>
<td>Beck &amp; Wilson (2000); Ferreira (2012)</td>
</tr>
<tr>
<td>Job Autonomy</td>
<td>Ghosh, Satyawadi, Prasad Joshi, &amp; Shadman (2013)</td>
</tr>
<tr>
<td>Work-family Balance</td>
<td>Bussin &amp; Smit (2014)</td>
</tr>
<tr>
<td>Good Communication</td>
<td>Walker (2001)</td>
</tr>
<tr>
<td>Supervisor Support</td>
<td>Naqvi &amp; Bashir (2011)</td>
</tr>
<tr>
<td>Organisational Culture</td>
<td>Ghapanchi &amp; Aurum (2011)</td>
</tr>
<tr>
<td>Social Support</td>
<td>Loan-Clarke, Arnold, Coombs, Hartley, &amp; Bosley (2010)</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>Bhatnagar (2007)</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>Lumley, Coetzee, Tladinyane, &amp; Ferreira (2011)</td>
</tr>
</tbody>
</table>

Source: Self-constructed
Although the abovementioned factors extracted are all important to note in terms of intention to stay, this study will focus on career progression, continuous learning, performance management, recognition, job satisfaction and affective commitment. The majority of graduate employees put considerable emphasis on their career plan and development, as they are focused on professional growth (Sturges & Guest, 2001). In order to move forward in their careers, they need to have a set career plan for their progression in the organisation, therefore career progression will be used in this study. The fast pace at which contemporary organisations are changing, proves that graduate employees are constantly required to learn new skills and acquire new knowledge for their jobs (Ferreira, 2012). In addition, there is little empirical evidence on the influence of this factor, hence continuous learning will be focused on in this study. Culliney and Broughton (2013) pointed out that graduate employees require more monitoring and feedback during their initial stages at work by providing them with help, support and guidance to perform at their best. Therefore, the concept of performance management will be explored in this study. Research has revealed that the key to employee engagement is giving recognition to employees where it is due (Acas, 2015). It was found that 80% of engaged employees received a form of recognition for good performance, whilst a low 35% of unengaged employees received the same recognition (Acas, 2015). Verbal recognition was widely referred to as a way for employers to show they were concerned about their employees (Acas, 2015). This is a key factor that has proved to be important and hence recognition is included in this study. It was found in research that attitudes towards work, such as job satisfaction and affective commitment, only play a small role in the retention of employees (Mitchell et al., 2001). Thus job satisfaction and affective commitment are explored as mediators in this study.

**Career advancement opportunities as an antecedent of intention to stay.** Two key focus points within career advancement opportunities are explored in this sub-section which includes career progression and continuous learning. Career progression is the first factor of career advancement opportunities to be analysed in relation to intention to stay, with particular focus on graduate employees.

**Career progression.** Career progression refers to the plans set in place for employees to further their career in enabling them to pursue their career goals (Armstrong & Murlis, 2007). Career progression opportunities include promotions, succession planning, and
apprenticeships with experts, and career ladders. The highest level of the hierarchical pyramid in Maslow’s (1943) Hierarchy of Needs is associated with self-actualisation which takes into account the fulfilling of one’s potential by achieving one’s goals, hopes and dreams (Qiu, Haobin Ye, Hung, & Yan York, 2015). In terms of self-actualisation, occupation plays a vital role in providing an area where employees can utilise their talents and skills to their optimum (Qiu et al., 2015). Therefore, without opportunities to progress in their career, employees will not feel satisfied that their needs of a meaningful life have been met.

General employees. According to a study conducted on supervisory employees working in a hotel in China, Qui et al. (2015) identified career opportunities for growth as one of the most influential reasons why employees remain in the organisation. It must be noted that when there is a clear career development plan in place for employees, they are less inclined to leave the organisation to seek other opportunities (Ghosh et al., 2013; Qiu et al., 2015). Promotional opportunities improve the relationship between employees and the organisation (Qiu et al., 2015). However, should there be a dearth of such opportunities; it may cause employees to leave the organisation (Qiu et al., 2015). Results of a study conducted in the United States of America, indicated that the opportunities for career progression were the most significant contributors of retention (Kochanski & Ledford, 2001). Furthermore, organisations are finding it increasingly important to ensure career planning opportunities are made available as these have been found to be contributing factors in the retention of employees (Ghosh et al., 2013). Ghosh et al. (2013) reported that opportunities for employees to develop in their careers provide them with the self-determination to do their best, thus enabling them to feel they have contributed to the organisation’s goals. Furthermore, such opportunities positively impact on the employees’ intention to stay (Ghosh et al., 2013).

A study conducted in South Africa on employees in charge of providing developmental opportunities and general support in the organisation, reported that career development is the main tool used for motivating employees (Mak & Sockel, 2001). Mak and Sockel (2001) indicated that once the employees have been motivated, they would become dedicated to their jobs and as a result the retention rate would increase. The concepts of both promotions and career prospects play a central role in retaining health professionals (Daniels, Van Leit, Skipper, Sanders, & Rhyne, 2007). Further to this, advancement opportunities, or the ability to move upwards in an organisation are cited as significant factors to keep
employees in the organisation (Hausknecht et al., 2009). Sudha (2012) conducted qualitative interviews and reported that the respondents regarded career development opportunities as an important contributor to their staying in the organisation. Results from a South African employee relations survey, show that career development is an essential force for loyalty and retention in the organisation (Pop & Barkhuizen, 2010).

Career progression and graduate employees. It has been argued that the most valuable graduate development programmes prove to accelerate the career progression of graduate employees (Hayman & Lorman, 2004). In this way, Lee and Maurer (1997) suggest that career planning strategies are flexible enough to adapt to varying needs of graduate employees within the organisation. Graduate employees have come to realise the importance of managing their own careers, but they still seem to value and expect help and guidance from their organisations (Sturges & Guest, 2001). Thus the idea of a progressive career is still of utmost importance for graduates’ intention to stay (Sturges & Guest, 2001). Newly appointed graduate employees are ambitious and willing to advance their careers as quickly as possible (Pop & Barkhuizen, 2010). It is for this reason that graduate employees have a higher propensity to remain in the organisation when there are opportunities for career progression present. Further investigation of graduate employees is required as there is limited research amongst graduates.

Continuous learning. Continuous learning consists of learning and developmental experiences specifically developed to improve employees’ level of skills and competencies, including on-the-job training, new technology training and rotational assignments (Armstrong & Murlis, 2004). The ever-changing organisational demands result in employees’ current skills being outdated and inadequate to meet the demands of the organisation. Therefore, it becomes apparent to employees to update and improve their skills in order to keep up with developing business and technological needs (Döckel, 2003). This phenomenon present in most organisations is mainly due to technological, economic and societal changes (Ferreira, 2012).

General employees. Ghosh et al. (2013) studied 100 employees in India. The results indicated that when the employees were provided with training to improve and align their skills with their current roles, they subsequently developed a greater intention to remain in the organisation (Ghosh et al., 2013). Döckel (2003) developed research on 94 employees
working in the telecommunications sector in South Africa, and revealed that employees are more inclined to stay in an organisation that provides career opportunities through learning and enables employees to apply their recently learned skills and knowledge. It is clear that organisations have thus increased their investment in training employees in order to attract employees and ensure that they remain in the organisation (Döckel, 2003).

The direction of an organisation that emphasises continuous learning, upgrading of skills and developing knowledge will ensure that the employee is able to reach the expert level of competence, by attaining the expected skills (Döckel, 2003). Results of studies showed that training employees in the organisation, would increase their level of intention to stay in the organisation (Oakland & Oakland, 2001; Vorhies & Harke, 2000). Employees regard training as a representation of employer’s enduring commitment to their employees and therefore would be more likely to remain in the organisation (Chew & Chan, 2008). Furthermore, continued learning of new skills results in greater productivity in the organisation, which consequently leads to an increase in wages above what could be obtained at another organisation. Thus the employees are more likely to stay in the organisation (Frazis, Gittleman, Horrigan, & Joyce, 1998). According to Eisen, Jasinowski, and Kleineli (2005), a 70% increase in retention rates was noted in response to the presence of training programmes that provided for continuous learning of employees. Further evidence posits that training improves growth, enhances success and increases retention for employees (Amble, 2006).

Continuous learning and graduate employees. Connor and Shaw (2008) developed a paper in the United Kingdom, which presented various papers conducted by other authors on graduate training and development. Connor and Shaw postulate that the provision of training and development opportunities is an essential factor in attracting and retaining graduate employees. The current generation of graduates are motivated by an organisation which they perceive to enhance their professional skills in order for them to further improve their marketability and expertise in developing their careers (Connor & Shaw, 2008). Graduate employees are continually seeking commitment from employees who will strive to ensure they have continuous learning in the organisation (Connor & Shaw, 2008).

Further to this, another important concept to research in relation to intention to stay of graduate employees is supervisor involvement.
Supervisor involvement as an antecedent of intention to stay. Two key focus areas of supervisor involvement are explored in the following sub-sections which include performance management and recognition. Firstly, performance management will be reviewed in respect of intention to stay, with particular focus on graduate employees.

Performance management. Employee performance management systems are used in envisioning the common purpose and aims of the organisation by ensuring that employees understand their roles in the organisation in order to maintain and improve their performance (Becker, Huselid, & Ulrich, 2001; Decramer et al., 2014; Fletcher & Williams, 1996). Moreover, performance management is known in the literature as a driver for employing strategic initiatives and for managing the progress of the employees (Haines III & St-Onge, 2012). In addition, performance management systems consist of three aspects, namely performance planning, performance evaluation and vertical alignment (Aguinis & Pierce, 2008). Performance management systems are important strategic tools in effectively managing the human capital of an organisation as these systems align the employee goals to the organisation’s goals (Becker, Huselid, & Ulrich, 2001; Decramer et al., 2014). The quality and the frequency in terms of the presence of performance management systems fall within the scope of this study.

General employees. Studies have found that employees are more inclined to stay in the organisation if they observe a “line of sight” in terms of the organisation’s strategic goals (Van Riel, Berens, & Dijkstra, 2009), and this “line of sight” is particularly prevalent in performance management systems. Decramer et al. (2014) found that these employees have a greater understanding of the organisation from a holistic approach and therefore have a high level of job satisfaction and a reduced likelihood of leaving. The lack of performance appraisals and the ineffective management of employees’ performance negatively affects human resource practices and this in turn increases the risk of employees leaving the organisation (Sommer & Kulkarni, 2012). The implementation of performance management systems creates a conducive environment in which employees can achieve both their personal and the organisational goals (Furnham, 2002). Furthermore, performance management systems enable a better understanding of employees’ work roles and contexts (Sommer & Kulkarni, 2012).
**Graduate employees.** Limited research was found that included these variables. It was found that support in the form of performance management systems and feedback was accepted by graduate employees (Culliney & Broughton, 2013). The graduate employees regarded both the formal and informal assessments as an essential part of their transformation into the working world (Culliney & Broughton, 2013). Limited research is present in the graduate employee space concerning performance management; therefore further research should be conducted on graduate employees.

The following sub-section explores the last part of supervisor involvement known as recognition. The construct will be reviewed in detail, highlighting the literature that shows the relationship between recognition and intention to stay, with specific reference to graduate employees.

**Recognition.** Recognition in the organisation denotes the extent to which employers implement employee recognition in terms of promotions, verbal recognition and awards in the organisation (Coetzee, Mitonga-Monga, & Swart, 2014). Employee recognition is grounded in the motivation theories of Vroom (1964) and Skinner (1974). According to these theories, employee recognition acts as a reinforcement practice, which shapes the behaviour and improves the performance of employees (Haines III & St-Onge, 2012).

**General employees.** A recent study conducted in India asserted that many organisations make use of employee appreciation and recognition programmes to recruit and retain employees (Ghosh et al., 2013). Organisations adopt such programmes in order to emphasise the behaviour employers want to motivate (Haines III & St-Onge, 2012). Employee recognition has recently become popular, as many scholars are finding new ways of ensuring employees are recognised (Gostick, 2003; Haines III & St-Onge, 2012). Social, non-monetary rewards are found to be more effective than monetary rewards in contributing towards employees’ intention to stay (Gostick, 2003; Haines III & St-Onge, 2012). Praise and approval are resources that are closely linked to employees’ perception of organisational support. A large body of research indicates that the perception of organisational support has positive effects on work-related outcomes such as reduced absenteeism and intentions to stay (Boateng, 2014; Shoss, Eisenberger, Restubog, & Zagenczyk, 2013). Chew and Chan (2008) noted that pay alone may not be a sufficient reward for performance, and recognition of performance in the form of praises from managers and colleagues is likely to motivate an
employee to remain in the organisation. Research reported that employees who felt their efforts and performance offerings were recognised and appreciated, were more likely to remain committed and employed in the organisation (Chew & Chan, 2008). Employee recognition was found to contribute positively to organisational commitment and intention to stay of employees (Chew & Chan, 2008). Research indicates that recognition is a significant predictor of both job satisfaction and employee retention (Blegen, Goode, Johnson, Maas, McCloskey, & Moorhead, 1992). A study on nursing employees reported that, when their managers utilised supportive actions such as recognising their efforts, the employees had a greater intention to remain with the organisation (Roberts et al., 2004).

Graduate employees. After an exhaustive search, no literature was found that dealt with this specific factor in relation to intention to stay. Consequently it is valuable to research graduate employees in this context. It is perhaps a reasonable assumption that the aforementioned is also expected for graduate employees.

Based on the material presented above, several hypotheses have been formulated and are set out below:

**Hypothesis 1**: Career advancement opportunities and supervisor involvement predict graduate employees’ intention to stay.

**Job satisfaction as a mediator of intention to stay.** Job satisfaction is defined as an individual’s emotional response to certain factors associated with his or her job (Lee & Bruvold, 2003). Job satisfaction has consistently been presented in the literature as an indicator of employee turnover. A study conducted on 214 employees in the United States of America, revealed that individuals who are not satisfied with their jobs are more likely to leave their jobs, resulting in employee turnover (Bang, 2013). A meta-analysis conducted by Griffeth et al. (2000), shows that job satisfaction is strongly related to the intention to leave. This relationship between job satisfaction and intention to leave has been prevalent for many years in research findings. Mobley, Griffeth, Hand, and Meglino (1979) reported that employees who have high levels of job satisfaction, will have greater intentions to remain in the organisation, resulting in a reduction in turnover. Furthermore, a study conducted on IT employees in Turkey, reported that one of the main contributors of intention to quit was job satisfaction (Calisir, Gümüşsoy, & Iskin, 2011). Studies on employee retention indicate that
highly satisfied employees are more dedicated to their jobs in ensuring they produce effective results (Denton, 2000). Therefore, the link between satisfaction and stay intentions is thus supported as these employees tend to remain in the organisation. In addition, according to Ghosh et al. (2013) job satisfaction positively relates to intention to stay of employees.

**Career advancement opportunities and job satisfaction.**

*Career progression.* Lee and Bruvold (2003) conducted a study in two countries, namely the United States of America and Singapore, and the results revealed that career progression has a direct positive relationship with job satisfaction for various reasons. Firstly, opportunities for career development in the form of programmes demonstrate concern on behalf of the organisation for employees’ continued career development which directly increases employees’ satisfaction with their jobs (Lee & Bruvold, 2003). In addition, employees are able to control their career development as they are able to acquire new skills with proper training and career development, and they consequently make themselves indispensable to their current organisation (Lee & Bruvold, 2003). As a result, employees who are able to attain further employability from their organisation are likely to have a higher level of job satisfaction (Lee & Bruvold, 2003).

*Continuous learning.* Moreover, the opportunity for continuous learning and development in the organisation improves the employees’ perception of their organisation in that they have positive feelings towards their employer, which increases their level of job satisfaction (Lee & Bruvold, 2003).

*Supervisor involvement and job satisfaction.*

*Performance management.* A study conducted on 2,336 Australian employees revealed that high quality performance management systems have a strong relation to employees’ level of job satisfaction, as a result of greater feelings of self-worth, achievement and positive attitudes towards their jobs (Brown, Hyatt, & Benson, 2010). Furthermore, such performance management systems increase the employees’ confidence in the outcomes generated (Brown et al., 2010). Employees will accordingly feel more certain of their functions and their expected performance in order to achieve targets, thus increasing their job
FACTORS WHICH CONTRIBUTE TO GRADUATE EMPLOYEES’ INTENTION TO STAY

satisfaction (Brown et al., 2010). Fletcher and Williams (1996) indicated that it has been surmised that employee performance management systems result in affective well-being, which is made up of job satisfaction and affective commitment, leading to effective performance in the organisation. The feelings of success and well-being were a result of the goal-setting aspect within performance management systems (Locke & Latham, 2006). Employees with performance management systems in place in their organisations had a higher level of understanding regarding the goals of the organisation and demonstrated a higher level of job satisfaction and affective commitment to the organisation (Decramer et al., 2014).

Recognition. There is some evidence to suggest that employees who experience recognition in the form of social interaction, service to others and praiseworthy work, are more likely to have an increased level of satisfaction with their jobs (Fallon & Rice, 2015; Lee & Bruvold, 2003). The Motivation-Hygiene Theory developed by Hertzberg emphasises the importance of recognition as it increases employees’ job satisfaction (Ramlall, 2004). Employee recognition has a positive association with job satisfaction as reported by Blegen et al. (1992).

Based on the abovementioned evidence, the following hypothesis is presented:

**Hypothesis 2:** Job satisfaction mediates the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay.

**Affective commitment as a mediator of intention to stay.** Organisational commitment is defined as the psychological connection one has with the organisation due to the shared values and interests, acting as a force that binds the individual and the organisation together (Christian, Garza, & Slaughter, 2011; Macey & Schneider, 2008). Organisational commitment has three components, namely affective commitment, normative commitment and continuance commitment (Kontoghiorghes & Frangou, 2009). While each of these components of organisational commitment is just as important, this study will focus on affective commitment. Affective commitment is defined as an employee’s emotional attachment and identification with the organisation based on the employee’s sentiments towards and the benefits accruing from, the organisation’s values (Coetzee et al., 2014; Nuijoo & Meyer, 2012). Affective commitment is relevant in this study as, according to a
study conducted on 355 people at managerial and staff levels within the human resources sector in South Africa, employees who are dedicated at an emotional level, typically stay in their organisation as they perceive their employment relationship to be harmonious in nature (Ferreira, 2012). Consequently employees show higher levels of affective commitment over and above the other components of organisational commitment due to the strong emotional bond which they develop with the organisation (Ferreira, 2012).

It is evident from previous studies conducted on 197 Cypriot employees and 89 Irish graduate employees, that affective commitment is related to a lower likelihood of employees leaving the organisation (Kontoghiorghes & Frangou, 2009; McDermott, Mangan, & O'Connor, 2006). The South African literature on this subject has identified that affective commitment reduces the levels of neglect in the form of tardiness, absenteeism and turnover in the organisation (Coetzee et al., 2014; Ferreira, 2012). Employees who are highly committed tend to experience a strong emotional bond with the organisation, feeling more inclined to stay in the organisation (Beck & Wilson, 2000; Ferreira, 2012). In addition, committed employees would show no inclination to leave their jobs as they have a strong intention to stay in their organisation (Thatcher, Stepina, & Boyle, 2002). Consistent research over the years has indicated that highly committed employees are less likely to leave their organisations (Iverson & Buttigieg, 1999).

According to Sturges and Guest (2001), retention of graduate employees is dependent on how committed the graduate are to their organisations. Meyer and Allen (1988) suggest that employees in their early careers, also referred to as graduate employees, will have the strongest link between commitment and turnover intention as their commitment is still being established.

**Career advancement opportunities and affective commitment.**

**Career progression.** Earlier research conducted in the United States of America, in respect of retention factors, found career opportunities to be closely associated with affective commitment (Kochanski & Ledford, 2001; McElroy, 2001). Coetzee et al. (2014) conducted a study on 284 employees in South Africa and found that when organisations provide advancement opportunities, employees are likely to perceive that the organisation acknowledges them which in turn enhances their self-worth, thereby increasing their level of
Affective commitment towards the organisation. Further career-related factors that have been shown to have an impact on graduate employees’ level of commitment take the form of the perception of career opportunities and the provision of both formal and informal career management guidance (Arnold & Mackenzie Davey, 1999; Sturges & Guest, 2001).

In terms of graduate employees, previous research highlighted the significance of career progression in creating a positive impact on graduate employees’ commitment levels (Arnold & Mackenzie Davey, 1999). This is due to graduate employees’ focus on achieving career success in their future, as opposed to satisfaction in the short term (Sturges & Guest, 2001). Furthermore, perception of career opportunities plays an important role in increasing graduate employees’ commitment (Arnold & Mackenzie Davey, 1999).

Continuous learning. The main contributor towards an increased level of commitment is noted as being an increase in training, so as to enhance the self-worth and value of the employee (Döckel, 2003). Recent South African literature on this subject indicates that employees are likely to develop an emotional attachment to an organisation that focuses on stimulating their learning (Coetzee et al., 2014). Affective commitment has been recognised in prior research as being one of the outcomes of employee training (Döckel, 2003). According to the South African study of Döckel, Basson and Coetzee (2006), training tends to positively affect the mental states of employees as their perceptions about the company change once they associate the company with consideration for their skill and ability levels. Their perceptions become more optimistic in that the employees become more committed towards the organisation (Döckel et al., 2006). According to Agrela et al. (2008), the outcomes of continuous learning are in the form of consistent productivity, adaptability, independence and an increased level of loyalty towards the organisation.

A study conducted on 50 graduate employees in the United Kingdom, found that suitable training and development opportunities provided for graduate trainees have a positive effect on their commitment levels to the organisation (Sturges & Guest, 2001). It is further confirmed that role-related factors such as training and development and additionally, career management, all play an important role in graduate commitment levels (Arnold & Mackenzie Davey, 1999; Sturges & Guest, 2001). In addition, suitable training has been cited as being one of the contributing factors to an increased level of graduate employees’ commitment to the organisation (Sturges & Guest, 2001).
**Supervisor involvement and affective commitment.**

*Performance management.* Recent studies conducted in Taiwan and South Africa have shown that human resource practices such as performance management systems are positively related to employees’ affective commitment (Chang, Wang, & Huang, 2013; Coetzee et al., 2014). Employees who believe that their organisation implements fair and consistent performance management systems are more likely show an increased level of affective commitment to the organisation (Coetzee et al., 2014; Decremer, Smolders, Vanderstraeten, & Christiaens, 2012). When employees are of the view that their organisation invests in comprehensive performance management systems aimed at improving their efficiency and development, they are likely to become more emotionally invested in the organisation (Coetzee et al., 2014; Döckel, 2003).

Managers who invest in performance management systems can expect to have effectively performing graduate employees, with a strong sense of attachment and commitment to the organisation (Culliney & Broughton, 2013).

*Recognition.* The research of Paré and Tremblay (2007) on 394 employees working in the information technology (IT) sector in Canada, indicated that recognition from colleagues and managers is strongly related to people’s affective commitment as employees are encouraged by harmonious employment relationships in the organisation. Affective commitment is found to be directly linked to how employees are treated in terms of the respect and recognition provided by other employees in the organisations (Ferreira, 2012; Hughes & Half, 2009). A study conducted on 581 executives working within the IT sector from Malaysia found that employees who were offered adequate talent management practices, consisting of managerial support, career development and rewards and recognition, show higher levels of commitment to their organisation (Alias et al., 2014).

The literature provides evidence for hypothesis 3 which appears below:

**Hypothesis 3:** Affective commitment mediates the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay.
Research Framework

Figure 1 represents the variables measured in the study. The independent variables consist of career advancement opportunities which include career progression and continuous learning; and supervisor involvement which includes performance management and recognition. The dependent variable is intention to stay. It is proposed that the independent variables, career advancement opportunities and supervisor involvement predict intention to stay. In addition, job satisfaction and affective commitment function as mediator variables between the antecedent variables and intention to stay. It is observed that job satisfaction and affective commitment are appropriate partial mediating variables for the correlations between the independent variables and intention to stay.

Furthermore, intention to stay assesses the extent to which graduate employees’ intend working in the organisation in response to the career advancement opportunities and the supervisor involvement presented, with the impact of the mediating variables, job satisfaction and affective commitment. The dependent variable, intention to stay, is predicted to be the outcome of the interaction between the independent variables and the mediator variables of the study. The hypotheses are labelled in the figure below.

Figure 1. The integrated conceptual model representing the proposed relationships between career advancement opportunities, supervisor involvement, job satisfaction, affective commitment and intention to stay.
Final Notes

The literature review introduced the concept of employee retention and specifically explores intention to stay. Following this, numerous factors were presented that were found to contribute to employees’ intention to stay. Four factors in particular were explored as they were consistently cited across the literature related to graduate employees. The analysis of the literature established the need for further research in the graduate employee space with regard to intention to stay in South African organisations. This study aims to examine the abovementioned factors and the extent to which they contribute to graduate employees’ intention to stay.
Chapter 3: Method

The purpose of this study is to examine the extent that career advancement opportunities and supervisor involvement contribute to graduate employees’ intention to stay. Furthermore, this study aims to assess whether job satisfaction and affective commitment mediate the abovementioned relationship. This chapter presents and discusses the methods used in this study to obtain data relevant to the research objectives. The method section is divided into five sub-sections. The sub-sections include the research design, the participants who were sampled, the various measures used to gather the data in the survey, the process that was followed and finally, the statistical methods used to analyse the data.

Research Design

A descriptive design was used to achieve the objectives of this research. It was not experimental in nature and therefore made use of a survey to collect the relevant information from the participants (Burns & Burns, 2008). Moreover, this study made use of a cross-sectional method for data collection in order to ensure a once-off collection of data from numerous participants and employing non-probability sampling techniques (Coetzee & Schreuder, 2009; Ladebo, 2008). It is important to recognise that a longitudinal method for data collection, while ideal, would not have been an appropriate method to employ as it is out of the scope of a Master’s time frame (Mann, 2003). The data was collected by means of a self-administered, self-report survey with previously developed and standardised measures in the form of Likert-type scales. The most effective way to measure the variables was by surveying them directly regarding the graduate employees’ expectations of their workplace. The reason for this was that the variables were subjective in nature and required subjective responses. The survey was made available on an electronic platform known as Qualtrics (2015). The data were gathered quantitatively as this was in line with the resource constraints attached to this study. It was an efficient approach to use as large samples could be surveyed in a shorter period of time compared to a qualitative approach.

Participants and Sampling

The sample of this study consisted of graduate employees who had between six months and five years’ employment experience. A requirement of the participants was that
FACTORS WHICH CONTRIBUTE TO GRADUATE EMPLOYEES’ INTENTION TO STAY

they had to be working in a South African organisation. A non-probability, convenience sampling approach was the most appropriate design to adopt as this study had budget and time constraints in gathering the data. Thereafter, snowball sampling was used to gather further data through social networking websites.

The original sample consisted of 423 respondents; however, 66 respondents were removed based on various reasons including either having worked less than six months or more than five years. After cleaning the data, the results were based on a final sample of 357 graduate employees. The participants were primarily from large organisations within the South African corporate sector. In terms of the demographics of the sample, the data indicated that the average age of the respondents was 25.33 years old (SD = 2.22, range = 21 – 34). Respondents’ average tenure was 2.05 years (SD = 1.21). Males and females were fairly equally represented in this sample, (48.6%, n = 173) and (51.4%, n = 183) respectively. The majority of the sample was composed of black respondents (40.9%, n = 146) (See Table 2 for a further breakdown of the socio-demographics).

Table 2

Socio-demographic Statistics of Graduate Employees (N = 357)

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>173</td>
<td>48.60%</td>
<td>48.60%</td>
</tr>
<tr>
<td>Female</td>
<td>183</td>
<td>51.40%</td>
<td>100.00%</td>
</tr>
<tr>
<td>Race</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td>146</td>
<td>40.90%</td>
<td>40.90%</td>
</tr>
<tr>
<td>Coloured</td>
<td>55</td>
<td>15.40%</td>
<td>56.30%</td>
</tr>
<tr>
<td>Indian</td>
<td>39</td>
<td>10.90%</td>
<td>67.20%</td>
</tr>
<tr>
<td>White</td>
<td>105</td>
<td>29.40%</td>
<td>96.60%</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>.60%</td>
<td>97.20%</td>
</tr>
<tr>
<td>Prefer not to answer</td>
<td>10</td>
<td>2.80%</td>
<td>100.00%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21-23</td>
<td>71</td>
<td>20.10%</td>
<td>20.10%</td>
</tr>
<tr>
<td>24-26</td>
<td>198</td>
<td>55.90%</td>
<td>76.00%</td>
</tr>
<tr>
<td>27-29</td>
<td>69</td>
<td>19.50%</td>
<td>95.50%</td>
</tr>
<tr>
<td>Older than 30</td>
<td>16</td>
<td>4.50%</td>
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<tr>
<td>Tenure</td>
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<tr>
<td>Less than 1 year</td>
<td>128</td>
<td>35.90%</td>
<td>35.90%</td>
</tr>
<tr>
<td>1 to 2 years</td>
<td>93</td>
<td>26.10%</td>
<td>61.90%</td>
</tr>
<tr>
<td>2 to 3 years</td>
<td>79</td>
<td>22.10%</td>
<td>84.00%</td>
</tr>
<tr>
<td>3 to 4 years</td>
<td>44</td>
<td>12.30%</td>
<td>96.40%</td>
</tr>
<tr>
<td>4 to 5 years</td>
<td>13</td>
<td>3.60%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
Measuring Instruments

This research is part of a larger study analysing graduate employees retention and so all the items were combined to form one survey. The data was collected using an electronic survey. The following subsections of the survey are relevant to this dissertation.

**Intention to stay.** Intention to stay was measured using the four-item Intention to Stay Scale developed by Ma (2010). The reliability of this scale was reported at a Cronbach’s alpha of .75 (Ma, 2010). An example of an item from the scale includes, “As far as I can see, I intend to stay with my current company.” The scale was measured using a seven-point Likert scale from 1 (strongly disagree) to 7 (strongly agree). Refer to Table 1 in Appendix A for the Intention to Stay Scale.

**Career progression.** Career progression was measured using the Perceived Investment in Employee Development (PIED) Scale with seven items that were adapted partly from both Lee and Bruvold (2003) and from Kuvaas and Dysvik (2010). A sample item includes, “My organisation stands out as an organisation that is very focused on continuous development of the skills and abilities of its employees”. The scale was measured using a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree). Kuvaas and Dysvik (2010) reported the PIED Scale to be valid and it demonstrated an above satisfactory reliability coefficient of .94. See Appendix A, Table 2 for the Perceived Investment in Employee Development Scale.

**Continuous learning.** Continuous learning was measured using the Continuous Improvement Measure of Robert, Probst, Martocchio, Drasgow, and Lawler (2000) which consisted of three items. Robert et al. (2000) reported a Cronbach’s alpha of .82 reflecting high internal consistency. The scale was measured according to a seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree). A sample item includes, “My company encourages me to learn new things about my job”. See Appendix A, Table 3 for the Continuous Improvement Measure.

**Performance management.** Performance management was measured using an adapted version of Performance Management Behavior Questionnaire (PMBQ) of Kinicki, Jacobson, Peterson, and Prussia (2013) which consisted of 27 items with six dimensions. The
reason for adapting the study was that the sub-dimensions of the scale appeared to measure more than the central theme of performance management. Eleven items of the original 27 items were included in this study. The instrument prompted respondents to indicate the extent to which they agreed with each statement, according to a description from rarely/never, once in a while, sometimes, fairly often, and very frequently/always. The Cronbach’s alpha (\(\alpha = .91\)) reflects a high reliability for the scale (Kinicki et al., 2013). A sample item includes, “Encourages others to set challenging yet attainable goals.” Refer to Table 4 in Appendix A for the full set of items in the Performance Management Behavior Questionnaire (PMBQ).

**Recognition.** Recognition was measured using the recognition sub-dimension from a scale developed by Koys and DeCotiis (1991). The scale reported a high reliability of Cronbach’s alpha of .95 by Martin and Bush (2006). A sample item includes, “My supervisor is quick to recognize good performance.” A seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree) was used to measure the participants’ responses. See Appendix A, Table 5 for the Recognition Scale items.

**Job satisfaction.** Job satisfaction was measured using a shortened version of the Brayfield and Rothe (1951) scale. The six-item Job Satisfaction Scale had a Cronbach’s alpha of .85 as reported by Iverson, Olekalns, and Erwin (1998). A sample item includes, “I find real enjoyment in my job.” Furthermore, the scale used a five-point Likert-type scale which prompted participants to indicate the extent to which they agreed with the items ranging from 1 (strongly disagree) to 5 (strongly agree). Refer to Table 6 in Appendix A for the items in the Job Satisfaction Scale.

**Affective commitment.** Affective commitment was measured using Bagraim’s (2004) Organisational Commitment Scale which was adapted from Allen and Meyer (1990) for application in South Africa. The organisational commitment scale consisted of 12 items, of which four pertained to affective commitment, which was used in this study. The instrument required participants to indicate the extent to which they agreed with each statement. Bagraim (2004) validated the scale and reported the Cronbach’s alpha at .85. An example of an item from this measure is, “I feel a strong connection to this organisation”. Participants were required to respond on a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). See Appendix A, Table 7 for the items in the Affective Commitment Scale.
**Demographic characteristics.** In terms of the demographic characteristics, the online survey obtained information in respect of the participants’ race, age, gender and years in employment.

**Procedure**

The survey was developed and constructed using the online platform, Qualtrics (2015). Prior to data collection, the study required ethical clearance, which was approved by The Ethics in Research Committee of the University of Cape Commerce Faculty. Refer to Appendix B for the letter confirming the ethics approval. In addition, permission to survey the relevant graduate employees was obtained from the respective personnel within the various organisations. After this, a pilot study was conducted to determine whether there were any issues regarding the survey. The participants for the pilot study were close relatives and friends, who reported minor formatting issues, which were immediately corrected. Following this, the survey was distributed to the relevant personnel to forward it on to all the graduate employees working within each organisation. The electronic mail that was forwarded to the graduate employees requested them to participate in this study. The email contained a cover letter which included the intent of the survey and the survey link that directed them to Qualtrics. Upon opening the link, participants observed a cover page with a description of the study, including the researchers’ contact details and informing them that their participation in the study was voluntary, anonymous and that the data collected would be kept confidential (Refer to Appendix C for the cover page of the survey). Thereafter, participants would be able to complete the survey online or on their smartphones.

The study formed part of a larger study examining the factors that contributed to graduate employees’ intention to stay. Therefore, only seven sub-scales were attached to this study. The survey took between 10 and 15 minutes to complete. Furthermore, an incentive for participation was offered in the form of a lucky draw to stand a chance of winning a R1000 shopping voucher. The winner was announced after the survey had closed. Data was gathered over a period of approximately two months between 20 July and 7 September 2015. During the data collection period, constant reminders were sent out to the relevant personnel of each of the organisations, to increase the sample pool.
Statistical Analysis

Various statistical analyses were executed using the IBM Software Package for the Social Sciences (SPSS), version 22. The reliability of the measures were assessed using Cronbach’s alpha testing for internal consistency (Nunnally, 1978). Scale validity was examined by making use of factor analysis (Burns & Burns, 2008). Furthermore, descriptive statistics were analysed to explain the characteristics of the sample. The hypotheses were tested using the Pearson product-moment correlation, multiple regression and process or mediation analysis. Finally, a post-hoc power analysis was conducted using G*Power version 3.1.9.2.
Chapter 4: Results

This chapter is divided into five relevant sub-sections. The first sub-section addresses the steps taken to clean and screen the data. The second sub-section deals with the psychometric properties of the scales, focusing on exploratory factor analyses and reliability analyses. The third sub-section assesses the descriptive properties of the scales by analysing the distribution of the data. The fourth sub-section establishes whether the predictors significantly correlate with each other, by using Pearson product-moment correlations. The last sub-section tests the hypotheses, in regression analyses and in the process mediation analyses.

Data Cleaning and Screening

Prior to testing for the psychometric properties of the scales, stem-and-leaf plots were used to check for any univariate outliers, of which none were found. Following this, the data was screened by removing the incomplete and unsatisfactory data, which resulted in 357 complete cases out of the 423 cases being retained for analyses.

Psychometric Properties

Exploratory factor analysis. The next sub-section provides the results of the exploratory factor analyses that were conducted on the scales.

Intention to stay. The four intention to stay items were assessed using principal axis factoring. In line with the research, the intention to stay scale indicated that one distinct factor was extracted. The factor revealed an eigenvalue of 2.47 and explained 61.82% of the variance in intention to stay. Item one revealed the lowest factor loading (.62), whilst item four revealed the highest factor loading (.76). The intention to stay scale is proven to be unidimensional and is further assumed to measure graduate employees’ intention to stay. Refer to Table 3 for the factor loadings of intention to stay.
Table 3

Factor Analysis Results for the Intention to Stay Scale

<table>
<thead>
<tr>
<th>Code</th>
<th>Items</th>
<th>ItS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ItS4</td>
<td>I will stay at this company even if other companies offer me higher pay and position.</td>
<td>.763</td>
</tr>
<tr>
<td>ItS2</td>
<td>As far as I can see, I intend to stay with my current company.</td>
<td>.716</td>
</tr>
<tr>
<td>ItS3</td>
<td>It is very important for me to spend the rest of my career in this company.</td>
<td>.707</td>
</tr>
<tr>
<td>ItS1</td>
<td>I would turn down a job offer from another company if it came tomorrow.</td>
<td>.617</td>
</tr>
</tbody>
</table>

Eigenvalue 2.473
%Variance 61.816%
%Cumulative Variance 61.816%

Notes. N = 352 after listwise deletion of missing data; ItS = intention to stay.

Career progression, continuous learning, performance management and recognition. All four scales, namely the six-item career progression scale, the three-item continuous learning scale, the 11-item performance management scale and the five-item recognition scale were subjected to principal axis factoring to assess whether the independent variables were in fact distinct variables. The Kaiser-Meyer Olkin (KMO) was .94 which is above the recommended cut-off of .60 (Kaiser, 1960) and the Bartlett’s Test of Sphericity was significant (p < .001), which indicated that the correlations were large enough for exploratory factor analysis. The factors were orthogonally rotated using direct oblimin, based on the assumption that the factors are interrelated. Initially, the analysis extracted five factors from the scales. However, one item loaded onto the fifth factor. This particular item, recognition item 5, cross-loaded and was thus removed from the analysis. The analysis was re-run and four distinct factors emerged.

All the items from career progression and continuous learning loaded onto factor one (eigenvalue: 11.3; explained variance: 45.19%; factor loadings: .34 < r < .92). This factor was interpreted and thus labelled career advancement opportunities.
The pattern matrix reveals that performance management loaded onto two factors; six items loaded significantly onto the second factor and five items loaded significantly onto the fourth factor. The two factors were interpreted and labelled feedback and goal setting respectively. The factors produced eigenvalues of 2.34 and 1.13 in that order. Factor two, known as feedback, explained 9.57% of the variance in feedback (factor loadings: \( .45 < r < .71 \)), whilst factor four, known as goal setting, explained 4.52% of the variance in goal setting (factor loadings: \( -.56 < r < -.92 \)). Therefore, the performance management scale is assumed to measure performance management through two dimensions, namely feedback and goal setting.

Recognition loaded onto the third factor and produced an eigenvalue of 2.12 and explained 8.48% of the variance in recognition (factor loadings: \( .70 < r < .90 \)). Thus, a unidimensional scale was produced and it is assumed that this scale measures recognition. See Table 4 for a further breakdown of the factor analyses.
Table 4
Factor Analyses Results for Career Progression, Continuous Learning, Performance Management and Recognition Scales

<table>
<thead>
<tr>
<th>Code</th>
<th>Items</th>
<th>CAO</th>
<th>F</th>
<th>R</th>
<th>GS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CP1</td>
<td>My organisation invests heavily in employee development (for instance by way of training, programmes, and career development).</td>
<td>.915</td>
<td>-1.178</td>
<td>-0.076</td>
<td>-0.040</td>
</tr>
<tr>
<td>CP2</td>
<td>My organisation stands out as an organisation that is very focused on continuous development of the skills and abilities of its employees.</td>
<td>.884</td>
<td>-0.300</td>
<td>-0.014</td>
<td>-0.022</td>
</tr>
<tr>
<td>CP3</td>
<td>By investing time and money in employee development, my organisation demonstrates that it actually invests in its employees. By way of practices such as developmental performance appraisal, counselling systems, competence development programmes and leadership development programmes, my organisation clearly demonstrates that it values development of the skills and abilities of its employees.</td>
<td>.873</td>
<td>-0.061</td>
<td>0.030</td>
<td>-0.032</td>
</tr>
<tr>
<td>CP4</td>
<td>I definitely think that my organisation invests more heavily in employee development than comparable organisations.</td>
<td>.762</td>
<td>0.110</td>
<td>0.022</td>
<td>0.041</td>
</tr>
<tr>
<td>CP5</td>
<td>I’m confident that my organisation will provide for the necessary training and development to solve any new tasks I may be given in the future.</td>
<td>.679</td>
<td>0.096</td>
<td>0.109</td>
<td>-0.065</td>
</tr>
<tr>
<td>CP6</td>
<td>The company sees to it that I get training to increase my levels of job skills and knowledge.</td>
<td>.664</td>
<td>0.092</td>
<td>0.037</td>
<td>-0.005</td>
</tr>
<tr>
<td>CL1</td>
<td>My company encourages me to learn new things about my job.</td>
<td>.584</td>
<td>0.084</td>
<td>0.086</td>
<td>-0.009</td>
</tr>
<tr>
<td>CL2</td>
<td>The company generally discourages employees who seek out training opportunities.</td>
<td>.457</td>
<td>0.158</td>
<td>0.125</td>
<td>-0.044</td>
</tr>
<tr>
<td>PM10</td>
<td>Checks work for accuracy and/or quality.</td>
<td>.187</td>
<td>.709</td>
<td>-0.101</td>
<td>0.096</td>
</tr>
<tr>
<td>PM11</td>
<td>Communicates expectations relating to quality.</td>
<td>.079</td>
<td>.651</td>
<td>0.013</td>
<td>-0.039</td>
</tr>
<tr>
<td>PM9</td>
<td>Gives honest feedback.</td>
<td>-0.019</td>
<td>.643</td>
<td>0.164</td>
<td>-0.120</td>
</tr>
<tr>
<td>PM8</td>
<td>Gives others specific feedback about what is good and bad about performance.</td>
<td>-0.032</td>
<td>.595</td>
<td>0.084</td>
<td>-0.285</td>
</tr>
<tr>
<td>PM7</td>
<td>Gives others timely feedback about their performance.</td>
<td>-0.097</td>
<td>.577</td>
<td>0.094</td>
<td>-0.306</td>
</tr>
<tr>
<td>PM6</td>
<td>Provides more positive than negative feedback.</td>
<td>-0.039</td>
<td>.448</td>
<td>0.170</td>
<td>-0.169</td>
</tr>
<tr>
<td>R2</td>
<td>My supervisor is quick to recognize good performance.</td>
<td>0.037</td>
<td>-0.025</td>
<td>.896</td>
<td>0.018</td>
</tr>
<tr>
<td>R3</td>
<td>My supervisor knows what my strengths are and lets me know.</td>
<td>0.040</td>
<td>-0.021</td>
<td>.850</td>
<td>-0.006</td>
</tr>
<tr>
<td>R4</td>
<td>My supervisor uses me as an example of what to do.</td>
<td>-0.014</td>
<td>-0.044</td>
<td>.765</td>
<td>0.003</td>
</tr>
<tr>
<td>R1</td>
<td>I can count on a pat on the back when I perform well.</td>
<td>0.072</td>
<td>0.080</td>
<td>.699</td>
<td>0.040</td>
</tr>
<tr>
<td>PM3</td>
<td>Assists others in setting specific and measurable performance objectives.</td>
<td>0.056</td>
<td>-0.091</td>
<td>0.028</td>
<td>-0.921</td>
</tr>
<tr>
<td>PM2</td>
<td>Participatively sets goals.</td>
<td>-0.029</td>
<td>-0.005</td>
<td>-0.008</td>
<td>-0.868</td>
</tr>
<tr>
<td>PM4</td>
<td>Assists others in developing action plans that support performance goals.</td>
<td>0.082</td>
<td>0.056</td>
<td>0.004</td>
<td>-0.800</td>
</tr>
<tr>
<td>PM5</td>
<td>Encourages others to set challenging yet attainable goals.</td>
<td>0.101</td>
<td>0.137</td>
<td>0.004</td>
<td>-0.670</td>
</tr>
<tr>
<td>PM1</td>
<td>Ensures that performance goals are linked to the strategic or operational goals of the company.</td>
<td>0.148</td>
<td>0.136</td>
<td>-0.065</td>
<td>-0.575</td>
</tr>
</tbody>
</table>

Eigenvalue                                                                 11.298 | 2.393 | 2.12  | 1.131 |
%Variance                                                                 45.19% | 9.57% | 8.482%| 4.523%|
%Cumulative Variance                                                     45.19% | 54.76%| 63.24%| 67.764%|

Notes. N = 312 after listwise deletion of missing data; direct oblimin rotation; CP = career progression; CL = continuous learning; PM = performance management; R = recognition; CAO = career advancement opportunities; F = feedback; GS = goal setting.
Job satisfaction and affective commitment. Principal axis factoring was performed to assess the six-item job satisfaction scale and the four-item affective commitment scale. The KMO of .91 revealed an appropriate result and the Bartlett’s Test of Sphericity was significant (p < .001), which ensured that exploratory factor analyses could be conducted. As expected, two distinct factors were extracted from the scales. All six items of the job satisfaction scale loaded onto the first factor (eigenvalue: 5.78; explained variance: 57.83%; factor loadings: .48 < r < .84). This suggests that job satisfaction is unidimensional and is thus assumed to measure graduate employees’ levels of job satisfaction.

In accordance with the literature, one distinct factor was extracted from the four items of affective commitment, producing an eigenvalue of 1.51 and explained 15.05% of the variance in affective commitment (factor loadings: -.79 < r < -.95). The result indicates that the affective commitment scale is unidimensional and is therefore assumed to measure graduate employees’ level of affective commitment (See Table 5 for the factor analyses).

Table 5
Factor Analyses Results for the Job Satisfaction and Affective Commitment Scales

<table>
<thead>
<tr>
<th>Code</th>
<th>Items</th>
<th>JS</th>
<th>AC</th>
</tr>
</thead>
<tbody>
<tr>
<td>JS6</td>
<td>I feel fairly well satisfied with my job.</td>
<td>.839</td>
<td>-.039</td>
</tr>
<tr>
<td>JS2</td>
<td>I like my job better than the average person does.</td>
<td>.822</td>
<td>-.044</td>
</tr>
<tr>
<td>JS5</td>
<td>Most days I am enthusiastic about my job.</td>
<td>.795</td>
<td>-.079</td>
</tr>
<tr>
<td>JS1</td>
<td>I find real enjoyment in my job.</td>
<td>.781</td>
<td>-.107</td>
</tr>
<tr>
<td>JS3</td>
<td>I am seldom bored with my job.</td>
<td>.621</td>
<td>.128</td>
</tr>
<tr>
<td>JS4</td>
<td>I would not consider taking another kind of job.</td>
<td>.475</td>
<td>-.152</td>
</tr>
<tr>
<td>AC2</td>
<td>I feel emotionally attached to this organisation.</td>
<td>-.075</td>
<td>-.948</td>
</tr>
<tr>
<td>AC1</td>
<td>I feel a strong connection to this organisation.</td>
<td>.036</td>
<td>-.873</td>
</tr>
<tr>
<td>AC4</td>
<td>This organisation has a great deal of personal meaning for me.</td>
<td>.062</td>
<td>-.870</td>
</tr>
<tr>
<td>AC3</td>
<td>I feel like part of the family at this organisation.</td>
<td>.091</td>
<td>-.794</td>
</tr>
</tbody>
</table>

Notes. N = 314 after listwise deletion of missing data; direct oblimin rotation; JS = job satisfaction; AC = affective commitment.
Reliability analysis. Scale reliability was conducted using Cronbach’s alpha in order to assess the internal consistency of all six scales; intention to stay, career advancement opportunities, performance management, recognition, job satisfaction and affective commitment. According to Nunnally (1978), .70 is an acceptable reliability coefficient. As represented in Table 6, the reliability coefficients ranged from .79 to .94, therefore all seven of the scales were indicative of having acceptable to excellent reliability. According to Burns and Burns (2008), the corrected item-total correlations had to be above .30, which was the case for all seven scales (.45 < r < .87), and therefore no items were removed from the scales.

Table 6
Results of Reliability Analyses

<table>
<thead>
<tr>
<th>Scale</th>
<th>Cronbach's alpha (α) value</th>
<th>Min. corrected item-total correlation</th>
<th>Max. corrected item-total correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intention to Stay</td>
<td>.792</td>
<td>.542</td>
<td>.648</td>
</tr>
<tr>
<td>Career Advancement Opportunities</td>
<td>.918</td>
<td>.446</td>
<td>.825</td>
</tr>
<tr>
<td>Performance Management</td>
<td>.928</td>
<td>.576</td>
<td>.801</td>
</tr>
<tr>
<td>Recognition</td>
<td>.884</td>
<td>.684</td>
<td>.828</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>.876</td>
<td>.509</td>
<td>.795</td>
</tr>
<tr>
<td>Affective Commitment</td>
<td>.937</td>
<td>.820</td>
<td>.869</td>
</tr>
</tbody>
</table>

Notes. Min. = minimum; max. = maximum.

Descriptive Statistics

The data was analysed for normality by testing for skewness and kurtosis of the distribution. Skewness represents the symmetry of the distribution and kurtosis represents the degree of peakedness (Burns & Burns, 2008). For a distribution to be considered normal, the skewness and kurtosis values should be zero, or sufficiently close to zero (Burns & Burns, 2008). Although normality is an assumption for conducting statistical analyses, according to Micceri (1989), normal distributions are extremely uncommon in the varied field of Psychology. Due to the highly robust parametric analyses used in SPSS, the data can still be analysed in the case where the data is not normal (Micceri, 1989). In terms of the normality of the distribution, career advancement opportunities, recognition and job satisfaction have a moderately negative distribution, with skewness ranging from -.51 to -.61 as the skewness is between -.50 and -1 (Brown, 2008). The results of the descriptive analyses show that
intention to stay, performance management and affective commitment are all approximately symmetrical to the Gaussian curve, with skewness values ranging from -0.33 to 0.31, as their skewness values are between -0.50 and 0.50. Further examination of the kurtosis values of the distribution, ranging from -1.12 to 0.29, shows that these are all below 3, indicating a platykurtic distribution (Brown, 2008).

As indicated in Table 7, the mean scores indicate that the graduate employees have relatively low levels of intention to stay ($M = 3.40$, $SD = 1.33$) on a seven-point Likert scale. The cumulative mean of the new variable, career advancement opportunities, cannot be described, as the sub-scales, career progression and continuous learning are different Likert scales, and therefore they are described as two separate scores (As represented as ‘not applicable’ in Table 7 below). Based on the questionnaire, using a five-point Likert scale with a mid-point of three, the graduate employees desired an average level of career progression in their organisation ($M = 3.55$, $SD = 0.87$). Furthermore, the graduate employees wanted relatively high levels of continuous learning in their organisations ($M = 5.31$, $SD = 1.17$) on a seven-point Likert scale. Graduate employees wished for performance management systems ($M = 3.68$, $SD = 0.73$) slightly more than recognition from their supervisors ($M = 4.84$, $SD = 1.31$). The mean scores show that graduate employees have average levels of job satisfaction ($M = 3.33$, $SD = 0.84$) and affective commitment ($M = 3.28$, $SD = 0.96$). The standard deviations indicate a narrow distribution of scores around the mean, as the standard deviations are small values.

Table 7

<table>
<thead>
<tr>
<th>Variable</th>
<th>$N$</th>
<th>$M$</th>
<th>$SD$</th>
<th>$SE$</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intention to Stay</td>
<td>354</td>
<td>3.390</td>
<td>1.332</td>
<td>0.071</td>
<td>0.310</td>
<td>-0.398</td>
</tr>
<tr>
<td>Career Advancement Opportunities</td>
<td>357</td>
<td>N/A</td>
<td>0.904</td>
<td>0.048</td>
<td>-0.613</td>
<td>0.291</td>
</tr>
<tr>
<td>Career Progression</td>
<td>357</td>
<td>3.549</td>
<td>0.872</td>
<td>0.129</td>
<td>-0.533</td>
<td>0.257</td>
</tr>
<tr>
<td>Continuous Learning</td>
<td>352</td>
<td>5.309</td>
<td>1.167</td>
<td>0.130</td>
<td>-0.684</td>
<td>0.293</td>
</tr>
<tr>
<td>Performance Management</td>
<td>344</td>
<td>3.680</td>
<td>0.733</td>
<td>0.039</td>
<td>-0.262</td>
<td>-0.048</td>
</tr>
<tr>
<td>Recognition</td>
<td>335</td>
<td>4.842</td>
<td>1.312</td>
<td>0.072</td>
<td>-0.523</td>
<td>-0.236</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>329</td>
<td>3.332</td>
<td>0.835</td>
<td>0.046</td>
<td>-0.508</td>
<td>0.085</td>
</tr>
<tr>
<td>Affective Commitment</td>
<td>323</td>
<td>3.281</td>
<td>0.961</td>
<td>0.053</td>
<td>-0.331</td>
<td>0.172</td>
</tr>
</tbody>
</table>

Notes. $N$ = number of respondents after pairwise deletion of missing data; $M$ = mean; $SD$ = standard deviation; $SE$ = standard error of mean; N/A = not applicable.
Correlation Analysis

A Pearson product-moment correlation was conducted on the data to confirm that the variables correlated in order to continue with further analyses of the data. The results of the correlation analyses are represented in Table 8 in the correlation matrix.

Table 8

*Correlation Matrix of Variables Under Investigation*

<table>
<thead>
<tr>
<th>Variable</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Intention to Stay</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(.792)</td>
</tr>
<tr>
<td>2. Career Advancement Opportunities</td>
<td>.601**</td>
<td>(.918)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Performance Management</td>
<td>.448**</td>
<td>.625**</td>
<td>(.928)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Recognition</td>
<td>.452**</td>
<td>.482**</td>
<td>.459**</td>
<td>(.884)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Job Satisfaction</td>
<td>.568**</td>
<td>.489**</td>
<td>.426**</td>
<td>.472**</td>
<td>(.876)</td>
<td></td>
</tr>
<tr>
<td>6. Affective Commitment</td>
<td>.594**</td>
<td>.560**</td>
<td>.479**</td>
<td>.539**</td>
<td>.591**</td>
<td>(.937)</td>
</tr>
</tbody>
</table>

*Notes.* Cronbach's alpha reported on the diagonal; ** p ≤ .01.

Cohen’s (1988) conventions were used to interpret the effect sizes of the correlation coefficients. Therefore a correlation coefficient \( r \) of between ±.10 and ±.29 is indicative of a weak correlation; a correlation coefficient \( r \) of between ±.30 and ±.49 represents a moderate correlation and a correlation coefficient \( r \) of between ±.50 and ±1.0 indicates a strong correlation (Cohen, 1988).

The correlations in Table 8 indicate that intention to stay has the strongest association with career advancement opportunities \( r = .60, p < .01 \), followed by affective commitment \( r = .59, p < .01 \) and job satisfaction \( r = .57, p < .01 \), also indicating strong correlations. Thus indicating that as the graduate employees’ opportunities for career advancement and their levels of affective commitment and job satisfaction increase, so too do their levels of intention to stay in the organisation. Although performance management correlates with intention to stay the least, relative to the other variables, \( r = .45, p < .01 \), the correlation is of a moderate strength according to Cohen’s (1988) conventions.
Regression Analysis

A standard multiple regression was conducted to analyse whether the combination of predictors significantly correlated with intention to stay, as proposed in hypothesis 1: Career advancement opportunities and supervisor involvement predict graduate employees’ intention to stay. Before conducting the multiple regression to test hypothesis 1, a check for multicollinearity was conducted between the three independent variables, career advancement opportunities, performance management and recognition. The variance inflation factor (VIF) was used to test for multicollinearity. According to Hair, Anderson, Tatham, and Black (1995), the VIF should not be bigger than 10 as this reveals multicollinearity. The VIF’s in this analysis were all less than 10, therefore revealing that there was no multicollinearity present.

A multiple regression was thus conducted and showed significant results ($F_{3,33} = 72.07, p < .001$). The predictor variables known as career advancement opportunities, performance management and recognition explained 39% of variability in the criterion variable, intention to stay ($r = .63$). The regression equation to predict intention to stay ($y$) from career advancement opportunities ($x_1$), performance management ($x_2$) and recognition ($x_3$) is: $y = -.81 + .69x_1 + .12x_3$. It is evident that two out of the three predictors significantly contribute to graduate employees’ intention to stay, namely career advancement opportunities and recognition ($\beta = .46, t = 8.09, p < .001$) and ($\beta = .20, t = 3.98, p < .001$) respectively.

Although the independent variables individually do not predict graduate employees’ intention to stay, the results provided support for the combination of independent variables that predict graduate employees’ intention to stay. In conclusion, hypothesis 1 is supported: Career advancement opportunities and supervisor involvement predict graduate employees’ intention to stay.

Finally, a post-hoc power test was conducted using G*Power 3.1.9.2 in order to determine the observed power coefficient with three predictors (input parameters: $N = 357; \alpha$ error probability = .05), producing an observed power coefficient of 1.00 (Faul, Erdfelder, Buchner, & Lang, 2009). In addition, the results generated a large effect size ($f^2 = .66$) (Cohen, 1988).
**Mediation analysis.** The following sub-section presents the results of the mediation analyses conducted using job satisfaction and affective commitment as mediators.

**Job satisfaction as a mediator.** In order to test hypothesis 2: Job satisfaction mediates the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay; process or mediation analyses were conducted. According to Hayes (2012), the purpose of mediation analysis is to determine the extent to which some underlying variable X, contributes to an outcome Y, through a mediator variable. The mediation analyses reveal that the direct effect of all the predictors, namely career advancement opportunities, performance management and recognition, are significant and their effects are reduced in comparison to the total effects, thus proving that partial mediation is present. Therefore, one part of the effect runs directly from the predictors on intention to stay while the other part of the effect runs over the mediator, job satisfaction. There was a significant indirect effect of career advancement opportunities on intention to stay through job satisfaction, $b = .26$, BCa CI [.18, .36]. This represents a medium size effect, $\kappa^2 = .19$, 95% BCa CI [.14, .25]. Refer to Table 9 for a further breakdown of the mediation analyses results.

It is thus concluded that job satisfaction is a partial mediator between career advancement opportunities, performance management, recognition and graduate employees’ intention to stay. As a result, this finding provides support for hypothesis 2: Job satisfaction mediates the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay.

**Affective commitment as a mediator.** In order to test hypothesis 3: Affective commitment mediates the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay; mediation analyses were conducted. The mediation analyses reveal that the direct effect of all the predictors, namely career advancement opportunities, performance management and recognition, are significant and their effects are reduced in comparison to the total effects, thus proving that partial mediation is present. Therefore one part of the effect runs directly from the predictors on intention to stay while the other part of the effect runs over the mediator, affective commitment. There was a significant indirect effect of recognition on intention to stay through affective
commitment, $b = .27$, BCa CI [.20, .35]. This represents a relatively large effect, $\kappa^2 = .26$, 95% BCa CI [.19, .32]. See Table 9 for the mediation analyses results.

To conclude, it is evident from the abovementioned findings that affective commitment mediates the relationship between the independent variables namely, career advancement opportunities, performance management and recognition and the dependent variable, intention to stay of graduate employees. Thus the findings provide support for hypothesis 3: Affective commitment mediates the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay.
Table 9

Multiple Mediation Analyses: Total, Direct, and Indirect Effects of Career Advancement Opportunities, Performance Management and Recognition on Intention to Stay

<table>
<thead>
<tr>
<th></th>
<th>Career Advancement Opportunities</th>
<th>Performance Management</th>
<th>Recognition</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Estimate</td>
<td>95% CI</td>
<td>Estimate</td>
</tr>
<tr>
<td></td>
<td>LL</td>
<td>UL</td>
<td>LL</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total effect</td>
<td>.89</td>
<td>.76</td>
<td>1.02</td>
</tr>
<tr>
<td>Direct effect</td>
<td>.62</td>
<td>.49</td>
<td>.76</td>
</tr>
<tr>
<td>Indirect effect</td>
<td>.26</td>
<td>.18</td>
<td>.36</td>
</tr>
<tr>
<td>Model $R^2$</td>
<td>.24***</td>
<td></td>
<td>.18***</td>
</tr>
<tr>
<td>Effect ratio $^a$</td>
<td>.19</td>
<td>.14</td>
<td>.25</td>
</tr>
<tr>
<td>Affective Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total effect</td>
<td>.89</td>
<td>.76</td>
<td>1.02</td>
</tr>
<tr>
<td>Direct effect</td>
<td>.58</td>
<td>.43</td>
<td>.72</td>
</tr>
<tr>
<td>Indirect effect</td>
<td>.31</td>
<td>.23</td>
<td>.42</td>
</tr>
<tr>
<td>Model $R^2$</td>
<td>.32***</td>
<td></td>
<td>.23***</td>
</tr>
<tr>
<td>Effect ratio $^a$</td>
<td>.22</td>
<td>.16</td>
<td>.29</td>
</tr>
</tbody>
</table>

Note. N = 315 - 326; CI = Confidence intervals, bias-corrected and based on k = 1’000 bootstrap samples; LL = Lower limit; UL = Upper limit; $^a$

The effect ratio represents the ratio of the total indirect effect to the total effect and can be loosely interpreted as being the proportion of the total effect that is mediated (cf. Preacher & Kelley, 2011). ***$p < .001$. 

40
Final Notes

The findings of this study indicate that career progression and continuous learning loaded onto one factor. Additionally, the results provided support for all three hypotheses and, in this case, career advancement opportunities and supervisor involvement do in fact predict graduate employees’ intention to stay. It was further established that job satisfaction and affective commitment mediate the abovementioned relationship. Refer to Table 10 for a summary of the hypotheses and the associated findings.

Table 10

*Summary of Hypotheses and Findings*

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Data Analytic Procedure</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Career advancement opportunities and supervisor involvement predict</td>
<td>Multiple Regression</td>
<td>Supported</td>
</tr>
<tr>
<td>graduate employees’ intention to stay.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Job satisfaction mediates the relationship between career advancement</td>
<td>Process/Mediation Analyses</td>
<td>Supported</td>
</tr>
<tr>
<td>opportunities, supervisor involvement and graduate employees’ intention</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to stay.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Affective commitment mediates the relationship between career</td>
<td>Process/Mediation Analyses</td>
<td>Supported</td>
</tr>
<tr>
<td>advancement opportunities, supervisor involvement and graduate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>employees’ intention to stay.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Chapter 5: Discussion

The aim of this study was to develop an understanding of the extent that opportunities for career advancement and supervisor involvement contribute to graduate employees’ intention to stay. The specific areas of career advancement opportunities were career progression and continuous learning, and the areas of focus within supervisor involvement were performance management and recognition. Furthermore, job satisfaction and affective commitment were examined as potential mediators in this relationship.

The discussion chapter is divided into six key sections. The first section presents the contributions of the present study, with regard to the knowledge it has added to the specific field of retention within the scope of South African graduate employees. The following section discusses the psychometric properties of the scales, in terms of the internal consistency and the exploratory factor analyses that were conducted in line with relevant literature to understand the quality of the measures used in this study. The third section discusses the findings with respect to the hypotheses proposed in this study. This section also relates the findings to existing research. Thereafter, the limitations of the study and recommendations for future research are explored. Following this, the theoretical and practical implications are discussed, in order for academics and organisations to consider the results of the present study. Finally, a summary of the findings is presented in the conclusion.

Contributions of the Present Study

The findings have contributed to the existing knowledge regarding intention to stay literature, with specific reference to graduate employees working in South Africa. The following contributions are discussed in further detail:

1. empirically assessing four predictors of intention to stay;
2. empirically examining job satisfaction as a mediator of the relationship between career advancement opportunities, supervisor involvement and intention to stay; and
3. empirically examining affective commitment as a mediator of the relationship between career advancement opportunities, supervisor involvement and intention to stay.
Psychometric Properties of the Scales

Given that the study employed internationally developed and validated scales in a local South African context, the quality of the scales and the performance thereof will be discussed in this sub-section. In addition, it is important to analyse the quality of the scales and how well the participants responded to them in thinking about replicating the study. It was advantageous for the purpose of this study and the data collection that the shortened version of the job satisfaction measure was used. According to Stanton, Sinar, Balzer and Smith (2002), the longer the survey, the less likely people are to participate in it and in addition, greater length is also associated with an increased rate of missing data present in the survey responses. Despite using the shortened version of the job satisfaction scale, the reliability ($\alpha = .88$) findings indicated that this job satisfaction scale was sufficiently appropriate for this study.

According to the exploratory factor analyses (EFA), contrary to expectations, career progression and continuous learning sub-scales loaded onto one distinct factor as opposed to two factors, although after analysing the items, the wording in the items suggest that these two factors can be assumed to be part of the same factor. Therefore it is likely that the respondents did not perceive that career progression and continuous learning were distinct from one another. To illustrate this, a sample item from each construct, career progression and continuous learning are presented. “My organisation stands out as an organisation that is very focused on continuous development of the skills and abilities of its employees” and “My company encourages me to learn new things about my job”. As a result, career progression and continuous learning were labelled as one factor, career advancement opportunities.

Furthermore, the performance management sub-scale exposed two factors, which according to the literature was consistent (Kinicki et al., 2013). Performance management was measured through goal setting and feedback, however it still measured the same construct as a whole. Thus performance management was used as one factor throughout the study.

The other four sub-scales, namely intention to stay, recognition, job satisfaction and affective commitment revealed unidimensionality in the EFA and therefore it was assumed that they all measured what they were expected to measure. According to the EFA results
with all the independent variables included in the analysis, one item from the recognition sub-scale cross-loaded and was removed. The reasoning behind this could be that respondents did not understand the negatively worded item as it was intended, or the wording was ambiguous. The rest of the study was analysed using the four items of the recognition sub-scale. Factor loadings for the abovementioned four sub-scales ranged from -.79 to .90, showing no further cross-loadings in the process.

In addition, the reliability analyses of the sub-scales all revealed similar findings to those from the existing literature. The internal consistency findings of intention to stay, career advancement opportunities, job satisfaction and affective commitment showed support for the literature as they were all above the Cronbach’s alphas that were found in the literature (Bagraim, 2004; Iverson et al., 1998; Kinicki et al., 2013; Kuvaas & Dysvik, 2010; Ma, 2010; Martin & Bush, 2006; Robert et al., 2000). The Cronbach’s alpha values were found to be high, ranging from .79 to .94, hence indicating that the scales were reliable for this study and can be applied in a South African context, and thus multi-cultural. Therefore the measures were appropriate to use in this study as the sample used were from different organisations, with diverse backgrounds in terms of their gender and race.

**Predictors of Intention to Stay**

Hypothesis 1: Career advancement opportunities and supervisor involvement predict graduate employees’ intention to stay, is supported and consistent with existing literature. In this case, the human resource practices used in this study are career progression, continuous learning, performance management and recognition. It became important to use a combination of these factors as it was found that individually the factors did not have the same effect on graduate employees’ intention to stay and therefore do not predict their intention to stay.

**Career advancement opportunities and intention to stay.** The finding that career advancement opportunities explain a significant amount of variance in intention to stay can be corroborated by several past studies (Amble, 2006; Döckel, 2003; Eisen et al., 2005; Ghosh et al., 2013; Mak & Sockel, 2001; Oakland & Oakland, 2001; Pop & Barkhuizen, 2010; Qiu et al., 2015, Vorhies & Harke, 2000). It must be noted that in the 2001 study of Mak and Sockel, career development opportunities were found to be important motivating
tools for employees. It is for this reason that the presence of career progression and continuous learning in the organisation, enhances the employees’ dedication and willingness to remain in the organisation (Mak & Sockel, 2001). Pop and Barkhuizen (2010) found that graduate employees are particularly focused on progressing their careers and as a result will stay in an organisation if there are opportunities available for career advancement.

Continuous learning in the form of on-the-job training has been found to enhance employees’ job knowledge and skills, which inevitably makes them more productive in their jobs and enables them to earn a higher wage than before the training (Frazis et al., 1998). This investment in employees’ training inevitably increases their intention to stay in the organisation (Bassi & Van Buren, 1999; Frazis et al., 1998).

**Supervisor involvement and intention to stay.** As expected, supervisor involvement was found to predict graduate employees’ intention to stay. Within supervisor involvement lie performance management systems which have been argued in recent literature that they provide a space for employees to set individual goals in line with the organisation’s goals (Decramer et al., 2014). Further to this, performance management systems provide employees with an understanding of the organisation on a strategic level which has been found to affect the employees’ job satisfaction and intention to stay positively (Decramer et al., 2014). Moreover, Culliney and Broughton (2013) indicated that graduate employees are open to having their performance managed and receiving feedback. Therefore, the significant finding that supervisor involvement predicts graduate employees’ intention to stay, is consistent with existing research.

Limited existing research was found in the graduate employee space in this regard and as a result a suggestion is made as to why the graduate employees desired performance management systems. It is suggested that because graduate employees are ambitious and willing to advance their careers as quickly as possible, they are likely to find the performance management systems beneficial to their career goals as they are able to set goals and receive feedback for their performance which they can improve on as needed. Subsequently, they will be able to progress accordingly if they achieve their goals and set their targets.

Consistent with the theoretical framework discussed in the literature review, Vroom’s (1964) theory of motivation is drawn on to explain the nature of the relationship between
recognition and graduate employees’ intention to stay. Graduate employees feel motivated when they are recognised for their performance and are thus more likely to stay based on the presence of recognition that they receive from their employers in the organisation. Therefore, Vroom’s (1964) theory of motivation relies on recognition being used as a reinforcement practice in order to obtain the desired behaviour.

Moreover, the fact that recognition forms part of supervisor involvement and that supervisor involvement significantly predicts graduate employees’ intention to stay, is consistent with existing research by Chew and Chan (2008). Employees were found to be more willing to stay in the organisation when they felt that their efforts and contributions were acknowledged (Chew & Chan, 2008). Further to this, the literature on social exchange theory (Whitener, 2001) is drawn on to describe the relationship between recognition and intention to stay. Employees improve their performance and willingness to remain in the organisation based on the expectation that they will be recognised and acknowledged for their work (Whitener, 2001).

**Career advancement opportunities, job satisfaction and intention to stay.** The study revealed that the second hypothesis is supported. Therefore job satisfaction is shown to be a mediator between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay. The research conducted by Denton (2000) found that employees who have a high level of job satisfaction are more committed to their jobs and are thus motivated to obtain effective results. It is for this reason that there is a direct relationship between job satisfaction and graduate employees’ intention to stay (Denton, 2001; Ghosh et al., 2013).

In providing an explanation for job satisfaction shown to be a mediator, the findings of Chiang, Back and Canter (2005) were used as it was found that training only predicts intention to stay with the presence of job satisfaction. Job satisfaction was revealed to be a mediator between training and intention to stay in existing research (Chiang et al., 2005). The result of the present study was in line with the findings of the Chiang et al. (2005) study.

**Supervisor involvement, job satisfaction and intention to stay.** The finding that job satisfaction acts as a mediator between supervisor involvement and graduate employees’ intention to stay is in line with the work of Chen (2001). It must be noted that there is limited
research in this field, hence the only study that can be referred to is Chen (2001). Chen (2001) suggests that when employees perceive they are supported by their employers, they are more likely to develop attitudes in the form of job satisfaction and intention to stay. In positive interactions with their supervisor, employees are more likely to develop a positive attitude to, and stronger satisfaction with, the organisation (Chen, 2001). Further to this, it was found that employees who have a high level of job satisfaction are more inclined to remain in the organisation for longer (Chen, 2001). It is suggested that the reason for the findings being supported in a South African context is that perhaps the South African workplace is quite similar to that of the global workplace.

**Career advancement opportunities, affective commitment and intention to stay.**

In this study it was established that affective commitment partially mediates the relationship between career advancement opportunities and intention to stay, which is consistent with the research of Chew and Chan (2008). Chew and Chan (2008) found that once the career growth and learning needs of the employees were met, their job attitudes were positively affected and thus they were more inclined to stay in the organisation. In terms of their job attitudes, employees’ affective commitment was enhanced. The literature on social exchange theory states that employees perceive human resource practices as the organisation’s way of showing their commitment to their employees (Eisenberger, Fasolo, & Davis-LaMastro, 1990). Subsequently this perception motivates the employees to adjust their attitudes towards the organisation in a positive light (Chew & Chan, 2008). Therefore employees’ attitudes, in terms of their commitment to the organisation, are directly and positively related to their intention to stay in the organisation as cited by Mak and Sockel (2001). However, it must be noted that in order for employees to feel continually committed and more inclined to stay in the organisation, they need to understand that changes in their attitude towards the organisation are a result of effective human resource practices that have been implemented to keep graduate employees in the organisation (Parker & Wright, 2001). Bassi and Van Buren (1999) therefore suggests that the presence and opportunities of continuous learning and career progression in the organisation, has a noticeable effect on the employees’ commitment towards the organisation. In addition, employees who feel they have a good relationship with their supervisors are more likely to have common values. This directly increases their emotional attachment to the organisation (Chen, 2001; Cho, Johanson, & Guchait, 2009).
Moreover, Hansen et al. (2003) found that approximately 40% of the variance in intention to stay was explained by affective commitment which is consistent with the findings of the present study. Subsequently, Cho et al. (2009) revealed that employees with a high level of affective commitment, have a greater tendency to continue working in the organisation. Therefore, this will positively affect graduate employees’ intention to stay in the organisation (Cho et al., 2009).

Supervisor involvement, affective commitment and intention to stay. The finding that affective commitment mediates the relationship between supervisor involvement and graduate employees’ intention to stay can be understood in the context of the attribution theory. This originates from the attribution theory (Folkes 1988), which states that people attribute their emotions towards the service they receive. Consequently, when employees perceive that they are being recognised for the work they are putting in, they are more likely to develop positive emotions towards their employer (Hansen, Sandvik, & Selnes, 2003). This implies that recognition is directly related to affective commitment. Furthermore, Hansen et al. (2003) suggest that employees who attribute positive feelings towards their employer are more inclined to enjoy their working relationship and remain loyal to the organisation.

In line with the above evidence regarding the findings of the hypotheses, it is important to note that, although this study was conducted in South Africa, the findings were still consistent with those of previous research from around the world.

Limitations of the Study

In interpreting the findings, it is important to consider the limitations associated with this study in terms of sampling method and research design. The cross-sectional approach in gathering the data limits the development of cause-and-effect relationships in the study as the links between the variables will be inferred rather than established (Coetzee & Schreuder, 2009).

Due to the fact that the survey was combined with two studies items, the length of the survey was increased. Acquiescence response bias is thus more likely to have occurred, which could have affected the relationships between the variables in the study and could have
given distorted findings (Spector, 2006). Acquiescence response bias is the tendency of respondents to agree with most items in the survey regardless of its content (Spector, 2006). The longer the surveys are, the more likely respondents are to experience apathy and the less effort they will put into the end of the survey compared to the beginning (Ackerman & Kanfer, 2009; Stanton et al., 2002). The self-report questionnaire increases the likelihood of biases, such as social desirability (Burns & Burns, 2008). This was however reduced by ensuring anonymity and confidentiality of the participants.

**Suggestions for Future Research**

On the one hand, it was unrealistic to use a longitudinal approach in this study as the cross-sectional approach is sufficient in enabling the researcher to obtain an understanding of the relationships between career advancement opportunities, supervisor involvement and graduate employees’ intention to remain in the organisation. On the other hand, it is recommended that future research should focus on longitudinal studies to establish causality inferences between the variables, as cross-sectional data only assesses the respondents at a given point in time (Ladebo, 2008). Additionally, the objective of the study was to evaluate the relationships between various factors and intention to stay among graduate employees, as opposed to establishing causality among the relationships over time. Therefore, a longitudinal design was not required for the purposes of this study. The cross-sectional design was used in order to apprehend the experiences of graduate employees working in South Africa.

As a suggestion, further research should analyse the time lag effects of graduate employees. This will determine whether the factors that contribute to their intention to stay change the longer they remain employed in the company. This can be observed by using a longitudinal design in order to assess the causal relationships over time (Mann, 2003).

Finally, it might be beneficial and interesting to collect qualitative data in future studies as this would ensure a greater contextual understanding of the contributing factors that predict graduate employees’ intention to stay (Burns & Burns, 2008).
Implications of the Present Study

Theoretical and practical implications are presented, based on the findings of the study.

**Theoretical implications.** The present study has added insights and theoretical knowledge to the employee retention space, specifically in the area of intention to stay through a thorough examination of the factors that keep graduate employees in the organisation. Furthermore, this study has contributed to the limited literature on graduate employees working in South African organisations. In addition, the under-researched variables, performance management and recognition of graduate employees in South Africa, have consequently been examined and this study may well have added interesting findings to the existing literature.

**Practical implications.** Graduate employees are important participants to examine as the way in which they work and how they think about the workplace affects the organisation in many aspects. The findings in this study could provide managers with insights into what graduate employees expect in order to remain in the organisation for longer. These findings should inevitably improve the development strategy at organisations and subsequently reduce costs associated with turnover, and moreover recruitment costs if they leave the organisation. With these findings, managers and human resource personnel will be made aware of the various practices that need to be in place in their organisation in order to keep their graduate employees. Further to this, such practices will not only keep graduate employees employed for longer but it will also mean they are more motivated, loyal and satisfied with their work and the organisation.

One of the most significant implications extrapolated from the findings of the study is that, in order for the factors to significantly predict graduate employees’ intention to stay, these factors all need to be present in the organisation at a given time. It was found that one factor alone does not have a sufficiently, powerful effect to predict intention to stay. Therefore, it becomes important for managers and human resource personnel to select the best combination of factors, in this case, the abovementioned factors strongly predict graduate employees’ intention to stay. It could be costly to ensure that all the factors are
present and available in the organisation at the same time, but the benefits and the satisfaction from such a strategic goal far exceed the costs of replacing an employee for example.

Furthermore, the benefits of providing graduates employees with continuous learning in the organisation ensures they become more skilful and knowledgeable about their role, and this then allows these graduate employees to demand a higher wage. Additionally, this benefits the organisation because the graduate employees become more productive and effective at their jobs.

The findings of this study will be particularly useful in the South African workplace, especially because this country possesses relatively few graduates exiting their tertiary institutions with specialised and skilled qualifications. The factors noted in this study will ensure the human resource personnel and managers are able to retain these selected graduate employees and keep them for many years to come.
Conclusion

This study was conducted to examine the extent that opportunities for career advancement and supervisor involvement contribute to graduate employees’ intention to stay. In addition, another purpose of conducting the study was to examine whether job satisfaction and affective commitment mediate the relationship between career advancement opportunities, supervisor involvement and graduate employees’ intention to stay. The findings suggest that career advancement opportunities and supervisor involvement are both significant predictors of graduate employees’ intention to stay. Furthermore, it was found that, when job satisfaction and affective commitment are present in the abovementioned relationship, they act as mediators and as a result explain the relationship between the independent variables, career advancement opportunities, performance management and recognition and the dependent variable, intention to stay.

These findings of the study imply that it is essential for South African organisations to re-assess their graduate employee retention strategy. The reason for this being that graduate employees have different expectations of an organisation than do general employees.

It is also interesting to note from a South African and graduate employee perspective, what the graduate employees expect from organisations, as well as the factors that will essentially keep them employed in the organisation. It is important to understand that the factors used in this study would only benefit the organisation when used together, as it was found that individually, the factors do not predict graduate employees’ intention to stay.

Graduate employees need to know that they have continued support from their organisation, in the form of training programmes to enhance their job knowledge and in addition, advancement opportunities in the form of promotions in the organisation, in order to advance their careers within the organisation. Graduate employees value ongoing training and progressive careers so much that they will show more loyalty and commitment towards the organisation when these factors are present, and as a result will intend to stay in the organisation for longer than if those opportunities were not provided to them. In addition, graduate employees need to know that the organisation is helping them to set and achieve their own goals as well as the goals of the company. Graduate employees also value feedback in order to improve on their performance. Finally, graduate employees expect to be given
appropriate recognition when it is due, whether it be verbal recognition or in the form of a reward for a job well done. If these various expectations in some combination are not met, the graduate employees will seek other organisations to work for that provide these opportunities for them.
FACTORS WHICH CONTRIBUTE TO GRADUATE EMPLOYEES’ INTENTION TO STAY

References


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FACTORS WHICH CONTRIBUTE TO GRADUATE EMPLOYEES’ INTENTION TO STAY


Ma, E. J. (2010). A cross-culture study on the motivational mechanism of hotel employees’ organizational citizenship behavior. ProQuest Dissertations and Theses, Oklahoma State University, 217.


FACTORS WHICH CONTRIBUTE TO GRADUATE EMPLOYEES’ INTENTION TO STAY


FACTORS WHICH CONTRIBUTE TO GRADUATE EMPLOYEES’ INTENTION TO STAY


### Appendix A: Scales

#### Table 1

<table>
<thead>
<tr>
<th>Intention to Stay scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seven-point Likert scale from 1 (strongly disagree) to 7 (strongly agree)</td>
</tr>
<tr>
<td>ItS 1: I would turn down a job offer from another company if it came tomorrow.</td>
</tr>
<tr>
<td>ItS 2: As far as I can see, I intend to stay with my current company.</td>
</tr>
<tr>
<td>ItS 3: It is very important for me to spend the rest of my career in this company.</td>
</tr>
<tr>
<td>ItS 4: I will stay at this company even if other companies offer me higher pay and position.</td>
</tr>
</tbody>
</table>

#### Table 2

<table>
<thead>
<tr>
<th>Perceived Investment in Employee Development scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree)</td>
</tr>
<tr>
<td>PIED1: My organisation invests heavily in employee development (for instance by way of training, programmes, and career development).</td>
</tr>
<tr>
<td>PIED2: My organisation stands out as an organisation that is very focused on continuous development of the skills and abilities of its employees.</td>
</tr>
<tr>
<td>PIED3: By way of practices such as developmental performance appraisal, counselling systems, competence development programmes and leadership development programmes, my organisation clearly demonstrates that it values development of the skills and abilities of its employees.</td>
</tr>
<tr>
<td>PIED4: By investing time and money in employee development, my organisation demonstrates that it actually invests in its employees.</td>
</tr>
<tr>
<td>PIED5: I’m confident that my organisation will provide for the necessary training and development to solve any new tasks I may be given in the future.</td>
</tr>
<tr>
<td>PIED6: I definitely think that my organisation invests more heavily in employee development than comparable organisations.</td>
</tr>
<tr>
<td>PIED7: My organisation is effective in meeting employees’ requests for internal job transfers.</td>
</tr>
</tbody>
</table>
FACTORS WHICH CONTRIBUTE TO GRADUATE EMPLOYEES’ INTENTION TO STAY

Table 3

<table>
<thead>
<tr>
<th>Continuous Improvement Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree)</td>
</tr>
</tbody>
</table>

| CL 1: | My company encourages me to learn new things about my job. |
| CL 2: | The company generally discourages employees who seek out training opportunities. |
| CL 3: | The company sees to it that I get training to increase my levels of job skills and knowledge. |

Table 4

<table>
<thead>
<tr>
<th>Performance Management Behavior Questionnaire (PMBQ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>From rarely/never, once in a while, sometimes, fairly often, and very frequently/always</td>
</tr>
</tbody>
</table>

| PM 1: | Ensures that performance goals are linked to the strategic or operational goals of the company. |
| PM 2: | Participatively sets goals. |
| PM 3: | Assists others in setting specific and measurable performance objectives. |
| PM 4: | Assists others in developing action plans that support performance goals. |
| PM 5: | Encourages others to set challenging yet attainable goals. |
| PM 6: | Provides more positive than negative feedback. |
| PM 7: | Gives others timely feedback about their performance. |
| PM 8: | Gives others specific feedback about what is good and bad about performance. |
| PM 9: | Gives honest feedback. |
| PM 10: | Checks work for accuracy and/or quality. |
| PM 11: | Communicates expectations relating to quality. |
### Recognition scale

*Seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree)*

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>R 1</td>
<td>I can count on a pat on the back when I perform well.</td>
</tr>
<tr>
<td>R 2</td>
<td>My supervisor is quick to recognize good performance.</td>
</tr>
<tr>
<td>R 3</td>
<td>My supervisor knows what my strengths are and lets me know.</td>
</tr>
<tr>
<td>R 4</td>
<td>My supervisor uses me as an example of what to do.</td>
</tr>
<tr>
<td>R 5</td>
<td>The only time I hear about my performance is when I screw up.</td>
</tr>
</tbody>
</table>

### Job Satisfaction scale

*Five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree)*

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>JS 1</td>
<td>I find real enjoyment in my job.</td>
</tr>
<tr>
<td>JS 2</td>
<td>I like my job better than the average person does.</td>
</tr>
<tr>
<td>JS 3</td>
<td>I am seldom bored with my job.</td>
</tr>
<tr>
<td>JS 4</td>
<td>I would not consider taking another kind of job.</td>
</tr>
<tr>
<td>JS 5</td>
<td>Most days I am enthusiastic about my job.</td>
</tr>
<tr>
<td>JS 6</td>
<td>I feel fairly well satisfied with my job.</td>
</tr>
</tbody>
</table>

### Affective Commitment Scale (ACS)

*Five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree)*

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACOM 1</td>
<td>I feel a strong connection to this organisation.</td>
</tr>
<tr>
<td>ACOM 2</td>
<td>I feel emotionally attached to this organisation.</td>
</tr>
<tr>
<td>ACOM 3</td>
<td>I feel like part of the family at this organisation.</td>
</tr>
<tr>
<td>ACOM 4</td>
<td>This organisation has a great deal of personal meaning for me.</td>
</tr>
</tbody>
</table>
Appendix B: Ethics Approval

UNIVERSITY OF CAPE TOWN

Faculty of Commerce
Ethics in Research Committee

15 June, 2015

Jacqueline Hart-Davies & Renee Schreuder

School of Management Studies

Project title:

Examining the extent that career advancement opportunities and supervisor involvement mediated by job satisfaction and affective commitment contribute to graduate employees’ intention to stay

Proposal ref: 15-06-2015 Hart-Davies & Schreuder

Dear Researchers,

This letter serves to confirm that this project as described in your submitted protocol has been approved.

Please note that if you make any substantial change in your research procedure that could affect the experiences of the participants, you must submit a revised protocol to the Committee for approval.

Regards,

Professor Michael Kyobe

“OUR MISSION is to be outstanding teaching and research university, educating for life and addressing the challenges facing our society.”
Appendix C: Cover Page of the Survey

Dear graduate employee,

Thank you for participating in this important research project. This survey forms part of a larger study on graduate employees in South Africa and will contribute towards two Master’s dissertations. We would sincerely appreciate your participation as this will enable us to complete our studies. Your participation is voluntary, confidential and anonymous. You can choose to withdraw at any time during the survey. This survey has obtained approval by the UCT Commerce Faculty Ethics in Research Committee. The survey will take approximately 15 - 20 minutes to complete.

Please note that a lucky draw will be done which all respondents will be eligible to participate in. The winner of the lucky draw will win a R1000 shopping voucher. Please provide your email address or cellphone number should you wish to be entered in the draw.

Please complete the survey in one sitting and please note that once you click 'next', you cannot go back to change your previous answers. Furthermore, this survey is mobile friendly and can be accessed via smartphones.

Should you require any further information on the study, please feel free to contact the researchers for the project: Jacqueline Hart-Davies (hrjacc006@mynuct.ac.za) and Renee Schreuder (schren012@mynuct.ac.za).

Many thanks.