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FACTORS AFFECTING THE ATTRACTION, DEVELOPMENT AND RETENTION OF MANAGERIAL TALENT WITHIN SUN INTERNATIONAL

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FACTORS AFFECTING THE ATTRACTION, DEVELOPMENT AND RETENTION OF MANAGERIAL TALENT WITHIN SUN INTERNATIONAL

Mbulelo Qodashe

A research report submitted to the Faculty of Management, University of the Witwatersrand, in partial fulfillment of the requirements for the degree of Master of Management (Human Resources)

May 2001

ABSTRACT

The purpose of this research report was to explore the factors affecting the attraction, development and retention of managerial talent within Sun International. Five major themes were investigated according to the relevant literature. These were:
attraction and retention factors;
succession and career management;
individual and organisational development;
remuneration and benefits; and
organisational culture.

Data was collected by means of a questionnaire to a sample of Sun International's managers from all the divisions. The questionnaire responses were statistically analysed using Factor Analysis. An eleven-factor solution was found to be among the most stable and interpretable and was chosen for interpretation.

It was found that individual managers were attracted to an organisation that is a leader in its field both in terms of human resources development issues and customer service to its external customer base. Individual managers perceived the compensation system as fair, and resulting in merit based promotions. The issue of individual development plans based on the performance gaps were seen to be linked to individual managers' career growth opportunities. The organisation was perceived as having an empowering culture whereby individual managers were provided with the necessary resources and budgets to perform in their jobs, which was seen as conclusive to the attraction, development and retention of managerial employees. The issues pertaining to financial benefits were perceived to be important as well, although not ranked highest in importance.

DECLARATION

I declare that this research report is my own, unaided work. It is submitted in partial fulfilment of the requirements of the degree of Master of Management (Human Resources) in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in any other university.

_____

Mbulelo Qodashe

May 2001

DEDICATION

In loving memory of my late wife, Nomusa Pearl, and to my late parents, Japhet and Alice Qodashe. Your memory will remain in my heart for as long as I live. This is also dedicated to the two shining lights in my life, my daughter Nontsikelelo and my son Mthuthuzeli.

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- to the questionnaire administrators, who assisted in the administration and collection of the questionnaires; and
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CHAPTER 1: PROFILE OF SUN INTERNATIONAL

Sun International (South Africa) Limited was incorporated in May 1977 and listed on the Johannesburg Stock Exchange on 28 November 1985. The group maintained a leading position in the leisure and tourism industry in South Africa. The operations of the group in 1999 included 14 hotels and encompassed numerous entertainment, recreational, conference and casino facilities. The group employed over 8 000 people who received 46% of the cash distributed to stakeholders of the group (Sun International Annual Report, 1999).

The operating philosophy of the group was to offer guests excellent standards of cuisine, service and décor and to provide superior gaming, entertainment, conference, recreational and sporting facilities at rates, which reflected good value for money. The standards of excellence maintained by the group were dependent on the support and dedication of a highly motivated and skilled staff (Sun International Annual Report, 1999).

According to the Sun International Annual Report (1999) the major challenges facing the group during 1999 included the following:

Firstly, the repositioning of the group together with national and provincial empowerment partners to compete for new casino licences under the Gambling Act, No. 33 of 1996. This involved submitting 'winning bids' in a highly competitive

process that would meet the requirements of the various gaming boards, as well as proposing highly innovative projects. The group was successful in its bid for Casino licences in Gauteng, Port Elizabeth, Cape Town, Durban and Kimberly.

Secondly, the group was required to achieve a compliance with the provisions of the National Gambling Act, No. 33 of 1996. This entailed the disposal and closure of certain of its operations, in order not to exceed the maximum number of licences any one operator could own or manage provincially. During 1999, the number of licences operated by Sun International was reduced from seventeen to seven, excluding Carnival City. Three licences in the North West Province were sold to the Moribo Consortium and seven casino operations were closed; one in the North West Province and six in the Eastern Cape. The closures resulted in significant write-offs during the year under review, as well as in the retrenchment of a large number of long-serving employees (Sun International Annual Report, 1999).

Thirdly, the group was compelled to down-size and right-size its remaining casino operations in the North West Province and the Eastern Cape in response to competition from new, more conveniently located casinos in Gauteng and the ongoing proliferation of illegal casinos in Kwa-Zulu Natal. Again, this involved the retrenchment of more than three thousand employees in order to ensure the sustainability of these operations.

In terms of trading results, the group continued to experience difficult trading conditions during 1999, largely as a result of downward pressure on disposable income due to very high interest rates. In addition, competition from newly opened and more conveniently located casinos in Gauteng, and the illegal casinos in Kwa-Zulu Natal, had a negative impact on the profitability of the group's operations in the North West Province and the Eastern Cape. Overall, the group's hotels and resorts made good progress in 1999.

The success of the group up (to 2 000), in the various provincial casino licensing processes augured well for its future. The group was expected to return to positive earnings growth from 2 000 and to retain its leadership of South Africa's gaming and leisure industry.

Sun International was fortunate in employing highly skilled, experienced and dedicated staff who, despite the uncertainty facing the company, remained loyal and committed to the challenges that lay ahead. The group was successful in retaining the knowledge and skills of the incumbents at management level, which ensured the successful implementation of these new projects, and maintained its significant technological lead over the competition. The industry in general became far more reliant on technology to improve efficiency and provided a significant competitive edge. Sun International experienced a major influx of competition in terms of its key employees. According to the Chairman of the Board (Sun International Annual

Report, 1999) the competitive challenges facing the group were of such a magnitude that they necessitated a strategy that would not only secure the future of the group but also retain its leadership of South Africa's gaming and leisure industry. This exercise was implemented after the promulgation of the National Gambling Act of 1996, which caused the demise of the Sun International monopoly in the gaming and leisure industry.

Finally, according to Hawton, the level of success that the group had enjoyed in its bids for casino licences clearly positioned Kersaf as the most prominent Casino Operator in South Africa (Sun International Annual Report, 1999). This success was not only the result of the high level of skills and experience in developing and operating pre-eminent gaming complexes, but also of the quality of the Sun International partnerships and the structures that its management created in ensuring the long term integrity and resilience of those partnerships. In the final analysis, the attraction, development and retention strategies regarding the managerial talent that were to be adopted by Sun International would ensure a competitive edge over other casinos due to the critical skills shortages in the industry, especially in the short term. Sun International historically enjoyed a monopoly position in the industry and was largely responsible for the skill levels of managerial talent that existed in the casino industry (Sun International Annual Report 1999).

After the awarding of casino licences to competitor casinos, their first approach was to 'poach' staff from Sun International by offering them more money and higher level positions. One competitor offered all managers they had enticed from the company, one month's salary in advance, in addition to relocation costs. Most of Sun International's managers were offered promotions at one or two levels higher. Sun International decided to alleviate the high turnover by identifying key personnel and asking them to sign restraint of trade agreement contracts.

Although staff turnover continued at Sun International, especially among those with critical skills, it was anticipated that the market would eventually stabilise, and that employees would want to work for preferred employers rather than for monetary considerations alone. This research intended to reveal some of the retention issues within the industry.

1.2 Introduction to the research topic

The globalisation of the world economy overrode the issue of national sovereignty. It is a known fact that South Africa (SA) was far behind the other developing nations (World Competitive Report, 1999). In terms of human resources development index, i.e. the educational and skills levels of employees, improvement of ' people development' was noted as being centrally important to SA and as directly impacting on the economic development of the country (World Competitive Report, 1999). Attraction, development and retention of managerial talent had become a serious

challenge for business organisations in view of the very competitive labour markets.

'People issues' rather than financial ones, became the primary worry of chief executive officers. The attraction, development and retention of staff began to assume increasing importance for most CEO's. This was the case in SA, especially in certain managerial skill areas (People Dynamics, 2001). The promulgation of both the Skills Development Act, No 97 of 1998, and the Employment Equity Act, No 55 of 1998 were viewed by many experts as an attempt to address the critical skills shortages that were the result of the past dispensation

The attraction, development and retention of staff within Sun International was of critical importance, especially due to the proliferation of new casinos. According to Planting (Financial Mail, 2000: 43) "Intellectual capital had become a key function in many companies' survival". Business analysts maintain that the efficiency, with which a company identified and retained its most talented and skilled staff, would define its management's ability to compete in the fast paced global market. Management consultancy, Mckinsley & Co in the Financial Mail (Planting, 2001: 43) called this the "war for talent'' and noted that those best placed to win that war were companies whose management encompassed visionary leadership, strong corporate culture and identity, dynamic development programmes, global vision and handsome remuneration policies.

1.3 The importance and purpose of this research

The primary objectives of the current research were to gain insight into three areas, which are as follows:

- To identify a specific set of factors considered to be important in the attraction, development and retention of managerial talent within Sun International.
- To investigate whether factors that attract, develop and retain managerial talent differed in respect of race, gender, age, level in the organisation, qualifications and experience.
- To investigate whether differences existed between organisational delivery and managerial staff perceptions of what was important.

To address these issues, senior management within Sun International needed to focus on the implementation of an attraction, development and retention strategy of managerial talent towards the achievement of a sustainable competitive advantage. Retention of managerial talent was considered to be a requirement for company survival and competitive effectiveness, especially in view of the current practice of enticement of managerial talent by competitor casinos (Sun International, Annual Report, 1999).

1.4 Managerial Implications

The results of the research could have direct managerial implications.

The relevant literature shows that there are a number of organisational factors that

contribute or hinder in the attraction, development and retention strategy of managerial talent. The same would be true of the Sun International Group. These factors are assumed to be largely controlled by management and could therefore be influenced by them to improve the overall human resources strategy in the organisation. The research findings would be useful to senior managers within Sun International in their efforts to redesign the organisation as an employer of first choice, and would provide senior management with a comprehensive knowledge as to which factors they would have to take into account in the attraction, development and retention of staff which would be inclusive of global competitiveness issues and its rankings. Finally, this research should add insight into current academic knowledge.

1.5 Limitation of the research

The limitations of the research can be summarised as follows.

- The selection of Sun International only for investigation, precludes the assumption of representivity of the broader casino industry in South Africa.
- In conducting research within Sun International, data gathering may be affected by company politics and the perceived implications by managers.
- Some of the managerial employees might be reluctant to state their views despite assurances of confidentiality of their responses.

1.6 Layout of the research report

The second chapter in the literature review posits a global introduction on the topic

of attraction, development and retention of managerial talent. This is based on extensive research in different countries and companies. The casino industry is discussed and specifically, the competition that exists among casino players for talented employees. An in-depth discussion of the literature regarding the five themes has been undertaken. The five themes cover the following topics.

- Attraction and recruitment factors.

In this section, extensive references have been made regarding benchmarked attraction and retention factors that were adopted by various organisations in different countries. Essentially, organisations with the best combination of recruitment and retention strategies will be the most successful and money alone is not necessarily the best motivator. Reference is also made of different retention strategies adopted by various organisations, and the combination of monetary and non-monetary benefits used in organisations to try and retain talent. Discussion on the prevention of turnover and the adoption of relevant retention strategies is also included.

- Succession and career management.

This theme explores the notion of career growth and career development, and that a chance for advancement is perceived as being important in recruiting and retaining talent. There is a move away from the traditional succession planning, towards an acceleration pool, whereby a group of candidates with strong potential are developed for undefined jobs at executive level.

- Individual and organisational development.

In this section, training as a retention tool is emphasised. Research discussed under this section links organisational success with the training of managerial talent.

- Remuneration and benefits.

The main finding in this area is that money is not necessarily a motivator although its absence may lead to disgruntlement. Pay has a significant impact on job choice, and in some cases was found to be an important factor, and was among the attributes significantly related to job seekers' attraction to jobs.

- Organisational culture.

In this section, the main theme concerns the type of organisational culture that employers of choice adopt in order to attract talent. This is closely linked to the management style and relationship with incumbent superiors, who can influence a decision of whether or not to stay with an organisation.

Chapter Three on propositions, examines the three propositions which have emerged from the literature.

Chapter Four gives a detailed explanation of the research methodology adopted for this research. It also entails an extensive discussion about the pilot study and the administration of research questionnaires to various managers throughout Sun International.

Chapter Five furnishes the results from the data collected and analysed.

Chapter Six delineates the results.

Lastly, in Chapter Seven the conclusions are summarised. Implications for management, both within Sun International and possibly within the industry, are briefly explored. Finally, suggestions for further research are offered.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

In this section, the relevant theory on the attraction, development and retention of managerial talent is explored. All the relevant factors involved in the attraction, development and retention of managerial talent are delineated and discussed, with specific reference to the questionnaire questions. The literature review provided the basis for the 75 questions comprising the questionnaire. A brief introduction on the topic is given but more from a macrocosmic point of view. This is followed by a detailed literature review regarding five themes.

Johnson (2000) states that there is a new trend in the global business world that involves a battle for the best in business talent. While some see this as competition to attract high performers to their firms, those involved at a practical level believe it to be the ability to retain valued employees who are valuable longer than competitors do. Turnover becomes negative if it involves valuable employees, but positive when creating space and opportunity for new employees with the required skills.

The working world has changed beyond recognition since the 1990's and many are finding it difficult to make sense of it because of the impact of globalisation. According to Planting (2000:43), "the competition to attract and keep the best staff is occurring world wide, including in SA. That is because people are the differentiating factor between those organisations that are successful and those that are not (Planting, 2000:43).

Dibble (1999) an erudite scholar on retention strategy, asserts that, a new 21st century employment relationship exists. It is an updated version of the 19th century idea that employer and employee can negotiate the terms of work in a relationship of inequality. At that earlier time the power of the employer was firmly entrenched. An individual who refused to accept the terms of employment would not retain his / her job. The new employment relationship in terms of knowledge workers accords employees at least as much power as employers. This makes recruitment and retention even more difficult. In one company in Wales, their national human resources (HR) strategy incorporated recruitment and retention of staff as top priority (Lamb, 2000).

Dibble (1999) further asserts that corporate management in the 21st century recognises that it is their employees who can render a competitive advantage. The business model at Sears links customer satisfaction to employee satisfaction and the latter to management of other companies, such as MicroSoft, who know they are dependent on the intellect and creativity of their workforce to maintain a lead in fast-moving markets. They do everything they can to attract the most talented employees (Dibble 1999).

Johnson (1998) posits the view that there is a recent serious shortage of qualified people who are able to meet the fast growing needs of corporations. In all the countries of the world there is a search for executive and specialist talent. Johnson (1998:1) also puts it succinctly when he says "it is a major concern cited by chief executives and other senior managers in survey after survey". This phenomenon is prevalent and global, and redefines

the value placed on people who are increasingly being recognised as the ultimate asset towards the growth of modern, globally operating business.

This is occurring with the recognition of the knowledge worker, whereby thinking and creativity are considered to be necessary to the competitive edge. Knowledge workers include doctors, lawyers and software professionals, as well as all employees who serve customers, help to solve problems, think of better ways of doing things, and continuously learn as they work (ASTD, 2000). It is therefore important that management in these companies understand this new phenomenon and develop retention strategies for their valuable knowledge workers.

Planting (2000) states that companies with the highest reputations will attract the most effective employees. The companies on the Fortune list perform better, lifting their share prices by an average annual 25%, compared to 19% for the Russell 3000 Index.

Companies in the early 2000's face the most competitive job market in decades, and losing workers can irreparably damage profits. According to Stein (2000), lost productivity and replacement costs resulting from resignations can cost a company between $50 000 and $100 000. Herman & Gioia (2000) conducted a turnover analysis for a division of the Fortune 500 company. They found that had the turnover level for the past year been reduced to the industry average, their savings would have equalled the dollar amount by

which they had missed their profit target. In other words, had they reduced the turnover to no more than the industry average, they would have met the profit expectations for that division.

The people in an organization will largely determine how it will perform (Wood, 2000; Bennett, 2000). All organisations employ top performers, fully competent performers, reliable, loyal workers, and functionally ineffective ones. An organisation needs to retain the people in the first three groups; those who give value for the salaries paid to them. The most important factor in the retention of valued employees lies in identifying their measures of success and informing them that they are succeeding in their efforts. The most effective incumbents are the reason that they work for the most effective organisations; and inept people result in inept organisations (Wood, 1994).

It is evident from the literature review that the attraction, development and retention of managerial talent is increasingly becoming a business strategy imperative and companies' decision-makers are elevating it to the top of their business agendas (Wood, 2000). There is a proven link between attraction strategies and costs (Stein, 2000). Organisations therefore need to adopt appropriate mechanisms to stem the tide of unnecessary staff turnover. Invariably, research indicates that there is a direct correlation between better performing companies and employers of choice (Bennett, 2000; Planting, 2000).

2.1.1 Attraction and Retention Factors

The process of attracting and retaining staff commences with the recruitment process. Dibble (1999) states that recruitment comprises of the following aspects:

- searching for potential employees,
- finding methods of communicating with those identified,
- informing those identified about the position available, and about the organisation,
- determining whether they have the necessary skills, and
- describing how their career aspirations can be met within the organisation.

According to an Educause Executive Briefing (2000), recruitment and retention must be considered from a holistic perspective. Initially, well-constructed jobs need to be designed which comprise of an appropriate combination of activities and challenges. A well-designed hiring process attracts individuals whose value system, talents, and skills will complement those within the institution. An effective strategy includes effective appraisal, promotion, succession planning, training, compensation, and management practices.

Romano (2000) suggests that finding out from employees what would keep them working and happy within an organisation could help towards reinforcing positivity that was manifested at the outset of the relationship.

According to Dibble (1999), 10 questions employees may ask about an organisation before agreeing to work there include the following:

- self-description of the organisation;
- staffing;
- mission / strategy;
- flexibility;
- employee development;
- job expectations;
- rewards;
- supervision;
- teamwork and
- respect.

Johnson (2000) states that successful recruitment concerns development, reward and communication, which he explained as follows:

- Development is important, or talented individuals will most likely leave.
- Communication needs to occur regarding company plans, otherwise the skills and learning developed within the organisation will be lost as the incumbents leave for elsewhere.
- Reward the incumbents, otherwise they will leave.

In a 1997 and 1998 career satisfaction & salary survey (Merrick, 1998), the most satisfying aspects of the job were ranked according to their order of importance:

- the solving of challenging problems;
- the people worked with;
- the level of interesting and the variety of work;
- doing what the employee is good at; and
- the ability to work independently.

The least satisfying aspects were ranked as follows:

- too much bureaucracy;
- inadequate numbers of staff;
- insufficient appreciation from management;
- lack of advancement opportunities; and
- insufficient feedback from management.

Harris (2000) delineates five steps for the successful recruitment, and retention of talent as follows:

- a marketing approach to recruiting;
- checking within the organisation;
- constant recruitment;
- using the internet intelligently; and
- offering flexible pay plans.

According to Carolyn (2000), flexible scheduling, the offering of incentive bonuses, and recruitment of seniors are examples of some strategies by family companies to compete for workers in a tough labour market. Some companies have taken this process further by offering bonuses to any worker who recommends a new recruit. An article in the Insurance and Technology (Business Source Premier, 1999) notes that the process of employee referral is frequently regarded as a source for sound new recruits. Referrals are encouraged through the offer of a finder's fee for each referral hired, and an increased fee for those who successfully refer more people.

Catt & Scudamore (1997) argue that some companies have a minimal turnover of people, including those in skilled grades, and that those are not necessarily companies that pay the highest rates or offer the most generous perquisites (perks). These firms somehow manage to instill a spirit of satisfaction in their employees feelings that they are being looked after and that they belong to something worthwhile, that they would not willingly leave. Surveys by Gunsauley (2000) concluded that competitive pay and benefits, and a concern for employees' work and life balance, are much more effective retention strategies. Furthermore, management's ability to create a sense of pride and positivity in an organisation is the most effective form of recruitment, retention and motivation for employees.

A Kepner-Tregoe (ASTD/SHRM, 2000) report found that the top three reasons that

employees left their organisations were a perceived lack of financial rewards, recognition and career development. If employees do not receive training in their current workplace, they will go elsewhere (Wagner, 2000). Barth (1999) states that many companies regard education and training as a job retention strategy. However, their workplace surveys have found that a majority of employees stay with a company because of their good relationships with their boss.

According to Hanay & Northam (2000), assurance of the retention of quality employees is due to targeted recruitment and retention strategies that focus on more than financial compensation. Dibble (1999, 1) pronounced: "Retention begins long before an employee's first day on the job. It starts when we describe the position we plan to fill. It is at stake when a potential employee, someone with the skills we need, reads our ads or talks with a recruiter. Job descriptions, recruitment, selection, and orientation are the foundations of retention".

Research into employee retention among 188 working adults who attended part-time classes towards a college degree found four variables to have been significant predictors of employee retention (Hanay & Northam, 2000). These were as follows:

- perceived future opportunities from the employer;
- employee age;
- the degree to which employee expectations were met by the employer; and
- the availability of employer sponsored-tuition assistance.

Surveys also suggested that employee retention depended on the ability of management to listen carefully to employees and to deploy resources strategically in areas whereby the greatest benefit was afforded to the organisation (Hanay & Northam 2000; McClelland, 2000).

According to Hanay & Northam (2000) perceived future opportunities were identified as follows:

- additional responsibility;
- more interesting and challenging responsibilities;
- more money;
- promotional opportunities;
- more respect; and
- autonomy.

Gunsaukey (2000) states that improving core benefits and training and development opportunities could appreciably improve work-place loyalty. Breuer's (2000) research among retail respondents found that the top three 'retention drivers' were:

- working with 'great' people;
- having challenging assignments; and
- having opportunities for career growth and development.

Kloos (2000) cited the following factors in well-rounded employee retention programme.

- performance and compensation,
- provision of top quality benefits, and
- an emphasis on healthy habits.

It was established that turnover could be reduced by providing employees with realistic job previews, in which they were informed of both the positive and negative aspects of the job. The employee needed also to be educated about the culture, policies and working conditions of the organisation (Hanay & Northam 2000; Barth, 2000).

Internal application of marketing principles and philosophies that were intended to attract and retain customers could help management to improve their recruitment and retention efforts. Marketing principles could be used to minimise employee turnover. These included focusing employee retention on corporate values, matching the personality factors of employees to the organisation's climate and culture, selecting job candidates with marketing skills, offering formal training, empowering employees in serving customers, developing strong relationships, promoting innovation, and addressing employee satisfaction issues (Herman, 1999).

The Financial Mail (Planting, 2000) listed motivating factors for talented individuals. These have been reproduced in Table 1.

Table 1: Percentage of top 200 executives rating factor absolutely essential

Motivator	**Percentage**
Values and culture	58
Well managed	50
Company has exciting challenges	38
Strong performance	29
Industry leader	21
Many talented people	20
Good at development	17
Inspiring mission	16
Fun with colleagues	11
Job security	8
Compensation & Lifestyle (Price)	
Differentiated compensation	29
High total compensation	23
• Geographic location	19
• Respect for lifestyle	4
• Acceptable pace and stress level	1
Great Jobs (Products)	
• Freedom and autonomy	56
• Job has exciting challenges	51
• Career advancement and growth	39
• Fit with the boss I admire	29

Source: Financial Mail (Planting, 2000)

Valuable employees command a premium, whether the objective is attraction or retention. Johnson (1998) found that the most effective methods of searching for talent included the following. The percentage of responses is shown after each variable.

- executive search firms (69%);
- personal contacts / networks (15%);
- advertising (11%); and
- recruiting (11%).

In a survey among US Hotel companies, McCleary & Charles, 1997, respondents were asked what the industry could do to attract more African-Americans into Management. A number of suggestions were submitted. These were as follows:

- start at grade school and high school levels to promote positions in the industry;
- show evidence of equal opportunity;
- recruit actively at historically black colleges and universities;
- inform blacks about opportunities in the industry;
- provide mentoring for blacks and equal access to management training programmes in the early stages of their careers;
- use public relations effectively to solicit blacks for management positions;
- understand that people like to be served by those with whom they feel affinity at all levels; and
- promote the industry as a viable career in which a good, honest living can be made.

This reflects some of the values in IBM's Diversity Programme, which aimed for a workforce that reflected the demographics of their customer base (IBM, New York, 2000).

Salopek (2000) recommends the following strategies for keeping technical professionals from leaving:

- improving understanding of technical workers and their needs;
- sharing knowledge across all disciplines;
- offering information as to how their contributions strengthen the corporate vision and mission;
- investing in modern tools and technologies;
- developing a climate of trust that permit employee autonomy;
- allowing for differences in policies and practices;
- improving the skills levels of managers who supervise technical professionals;
- providing management development training, including effective leadership skills;
- clarifying the understanding of employees' needs;
- retaining technical recruits from the start;
- clarifying roles and responsibilities in order to accelerate learning and contribution;
- emphasising development;
- creating mentoring programmes;

- investing in ‘toys’ and make work fun by developing new and innovative ideas;
- assigning employees to stimulating projects and give mundane work to contractors;
- avoiding excess stress in workers;
- maintaining employees’ commitment;
- investing in ongoing development and job enrichment systems;
- paying employees what they are worth, even if that worth goes up after training;
- aligning employee goals with organisational goals;
- updating policies and procedures to remain competitive;
- rewarding loyalty.

Sullivan (2000) adds nine creative ideas on employee retention in the food service industry, as follows:

- post ‘what made our day difficult’ list for employees to complete;
- give small, unexpected rewards for jobs well done;
- give a prize of ‘get out of work free’ card;
- take out full-page newspaper advertisements honouring your employees;
- invest in the development as well as the recruitment of people;
- choose employees carefully;
- remember that effective incumbents recognise effectiveness in others;

- serve others, in the same way that you would like to be served;
- manage horizontally, not vertically.

There is a plethora of ideas submitted by Bliss & Associates Inc (2000) on how to retain current employees and it includes the following:

- ensure that competitive compensation is offered;
- ensure that basic health care benefits are offered at reasonable rates;
- consider adding lifestyle benefits that are cost effective for the company;
- find out what employees want from their careers and provide for their needs;
- be as flexible as possible about how the work is done;
- be flexible regarding when and where the work is done;
- permit employees time off for personal or family matters if their work can be completed at their homes in the evening;
- take genuine interest in people's career aspirations and personal lives;
- 'catch' people doing something right and frequently recognise positive contributions to the company;
- communicate company progress, financial news, major customers and sales activities on a regular basis;
- have regular meetings, meet regularly with all employees to discuss their involvement in company plans, company progress, new developments etc;
- administer exit interviews; and routinely ask employees what you can do to make the company a better place to work in.

In the area of recruitment, retention and development all reported research included findings regarding financial and non-financial rewards, training, recognition as an individual, and career opportunities for the growth and development of the employee.

The reality is that in an era of scarce talent, it is the employers of choice who will be able to attract and retain talented employees. This will be done through the adoption of a far more strategic approach to workforce management involving the creation of mutually beneficial employment relationship. These are based on what the employer needs from his/her employees, which are, typically, identification with the values of the business, delivery of excellent work, support within teams, and the practice of open communication. Employees typically require a much higher level of work and life flexibility, a motivating environment, a link between financial business success and personal rewards and of critical importance, future workplace marketability and employability (Meddow-Taylor, 2000; Kinnear & Sutherland, 2001)

According to Johnson (1998), the danger continues regarding the loss of people even after much time and money has been spent on their needs. Retention is predicted to become more difficult. It is not possible to retain all valuable employees, but useful to learn how to recruit the most valuable. Knowledge of methods to retaining them as far as possible is useful (Johnson, 1998).

Losing talented people has serious business implications. The cost of replacing an employee has been calculated at approximately one and a half times that employee's annual salary. The engendering of employee loyalty is good business. Loyal employees provide a return on investment that is recognisable in monetary terms for the company. Companies with highly committed employees tend to post sharply higher shareholder returns (Wagner, 2000; Hannay & Northam, 2000; Stein, 2000; Herman & Gioia, 2000; ASTD, 2000).

Kaye & Jordan-Evans (1999) submit the following reasons for which employees remain in a company, in order of popularity and frequency:

- career growth, learning and development;
- exciting work and challenge;
- meaningful work, making a difference and a contribution;
- great people;
- being part of a team;
- good boss;
- recognition for work well done;
- fun on the job;
- autonomy and a sense of control over the work process;
- flexibility, such as for example, in working hours and dress code;
- fair pay and benefits;
- inspiring leadership;

- pride in the organisation, its mission and the quality of its products;
- great work environment;
- location;
- job security;
- family friendly; and
- The latest and most competitive technology.

Johnson (1998), suggested the following turnover reduction strategies:

- realistic job previews;
- improved selection;
- good employee orientation;
- appropriate training;
- supervisory leadership;
- well-designed employee mentoring systems;
- equitable pay systems;
- job design;
- opportunities for career advancement;
- effective communication; and
- data analysis in respect of turnover trends.

Research shows that people want to work for a 'good' boss and they do not want to work for a 'bad' boss. Consequently, leadership training for supervisors can have a substantial impact on employee turnover (Herman & Gioia 2000).

According to Brown & McKinnon (2000), the retention challenge is to create a compelling offer, which includes not only the financial component, but comprises three distinct elements as follows:

- Company reputation: defined by its vision, values and the quality of its leadership;
- 'Great' jobs: which offer scope, accountability and challenge, and provide the development and growth sought by the individual to develop his/her personal marketability; and
- Rewards and lifestyle: whereby people can perceive a link between the results they produce and the level of reward they achieve, and do so in an environment which values diversity and thrives on the creativity which diversity brings.

Herman & Gioia (2000) notes several studies to show that praise and recognition tend to stimulate and encourage top performance, growth, and loyalty. Employees want to do the following:

- feel they are making a contribution;
- have a manager who recognises and tells them when they do a good job;
- enjoy the respect of peers and colleagues;

- be involved in and informed about the organisation's plans and activities; and
- have interesting and challenging work to do.

Herman & Goioa (2000) delineates the following retention strategies:

- corporate culture: which must be conducive for retaining valuable employees;
- relationships: people want to feel valued and know that they are making a positive contribution;
- support: people want support to advance in their career and to be involved in what will advance them;
- growth: people want to develop, personally and professionally and need to work within a learning environment that encourages and supports that growth; and
- compensation: people need to be fairly compensated in terms of market related benefits in comparison to other benefits in the community.

The American Management Association Conference, found that 40 percent of organisations were more concerned about employee retention than in the past (ASTD 2000).

In trying to retain employees the management of many companies have implemented traditional retention programmes. Capelli (2000) quoted a senior manager from DuPoint regarding a corporate initiative to 're-engage' with employees. By designing

and promoting new, long-term career paths and investing heavily in employee development, the company hoped to win back the loyalty of its workforce. The focus shifted from broad retention programmes to highly targeted efforts aimed at particular employees or groups of employees. The previous goal of HR management – to minimise overall employee turnover – needed to be replaced by a new goal – to influence who leaves and when. The objective was not to prevent employee loss, but to control its frequency and timing.

According to Capelli (2000), Prudential did what most companies have always avoided. They conducted a truly honest assessment of how long the organisation would like specific employees to stay. Such an analysis inevitably revealed that different groups of employees warranted very different retention efforts. There would invariably be some people whom management would want to keep indefinitely. Another set of people will be important to retain for brief, well-defined periods such as employees with specific skills that were currently in short supply. Finally, there would be people for whom investment in retention is not cost-effective at all. They include employees in jobs that required little training or employees whose skills were not in demand in the market.

Capelli (2000) examined some of the mechanisms for retaining employees, which he explains briefly as follows:

- compensation;

- job design;
- job customisation;
- social ties;
- location;
- hiring and retaining the most valuable employees.

According to Johnson (1998), if appropriate working conditions are provided, including superior pay and benefits as well as the chance for incumbents to learn and develop and be challenged, they are more likely to stay. Job content, fresh challenges and the opportunity for development are effective in retaining valuable executives. An attractive environment, acceptable value system and confidence in them will keep them. Adequate and continuous training in new knowledge as the old becomes quickly obsolete is important for the retention of staff.

Herman (1999) notes that when valuable people have been hired, trained and placed in high-performance teams, they need to be retained. He notes five principal reasons that people leave one organisation for another:

- incompatible corporate culture;
- unsatisfactory relationships with co-workers;
- insufficient support for the accomplishment of tasks;
- inadequate opportunities for growth;
- dissatisfaction with compensation offered.

Herman (1999), cites three areas of potential for retaining valuable staff, as follows:

- building emotional bonds;
- working relationships;
- staff development.

In a survey of 10 companies, Stein (2000) unearthed the following retention strategies:

- fostering of a sense of family and community, so that incumbents feel that they are working for a cause as well as a company;
- identification of the business' competitive advantage and its integration into recruiting and retention strategies;
- identification of the most valuable incumbents in the organisation, and genuine investment in their training and mentoring;
- creation of a career path within the company, so that people will be less likely to move elsewhere;
- proactivity in the selection and recruitment process;
- offering of autonomy even for junior employees;
- trusting of employees to balance the demands of work and life having given them the opportunity and flexibility to do so;
- effective communication channels;
- welcoming of new employees into the company; and
- creating of a culture of exclusivity and the development of a reputation as a market leader, such that employees perceive a competitor as retrogressive.

According to Herman (1999), employee retention is a critical component of workforce stability. It cannot be accomplished before the completion of the other components of the model; investment in productive employees is lost if they cannot be retained.

Herman (1999) posits the following three suggestions regarding whether or not employees will want to stay with their current employer:

- a positive relationship with their supervisor;
- the opportunity to remain marketable by improving work skills ; and
- appropriate sharing in the financial success that their efforts help to generate.

Organisations need to influence decisions to leave and try and retain their best employees because a retention strategy is a business imperative,. It is poor management to invest in a mediocre employee, when the dividends would be likely to be minimal. Evidently, a fair reward system, social ties in the workplace, growth opportunities, a good relationship with the superior, communication, and an attractive organisational climate are some of the retention strategies that will help to effect the business imperative.

2.1.2 Succession and Career Management

Kaye & Jordon-Evans (2000) note that career growth and development, and the chance for advancement are perceived as being very important in recruiting and retaining staff.

Meddows-Taylor (2000) also believes that career development is an important recruitment and retention tool, since applicants want to know what the opportunities are for advancement within the organisation, even laterally.

Greene (1997) suggests that volunteering could be used as a way of gaining experience and continuing to learn without going to school. Through working voluntarily, individuals learn new skills, enhance their career awareness and develop relationships. Such volunteering could be for either short-term or long-term projects that fit into their schedule. The three primary opportunities for volunteering are board member service, internship, or short-term projects.

In an article in the Association Management Journal (Business Source Premier, 2000), it was noted that successful career advancement in the new millennium required an active programme of career enhancement to gain confidence and skills. Individuals were encouraged to act according to the following recommendations.

- Employees should work as effectively as possible. They should appraise themselves of the organisation's needs and fulfil them by exceeding all basic requirements.
- Employees should develop marketable skills and continue to learn in order to be successful.
- Employers needed to contribute positively, and to offer whatever talents and skills could be useful to the company.
- Employees needed to be innovative and enthusiastic.

- Employees should learn to manage risk, be prepared to offer relevant ideas and suggestions. Problems should not be posed without the recommendations of a solution.

Moses (2000) states that organisations should provide their employees with opportunities for self-assessment and self-determination. Management should not only encourage people to take responsibility for managing their careers, but also provide them with the necessary tools to do their jobs. There should be an opportunity for employees to undertake a meaningful process of self-assessment that enables them to decide on their goals and plan the fulfilment of them. This can be provided in a number of ways, such as from the 'cadillac option' of executive coaching, career-planning workshops, individual counselling or a combination of all these factors. Self-assessment offers an opportunity for the identification of the causes of stress in those who are currently in a job or work environment that represents a mismatch with their interests and skills, and a chance to rectify the problem.

According to Moses (2000), career planning should be positioned to help people do the following:

- initiating the process of framing meaningful and realistic career and life goals;
- identifying their unique work style and work preferences profile;
- learning to look beyond their job titles and to identify underlying skills and competencies (or the lack of them) that could be applied to future work

assignments; as well as identifying development areas for adapting in changed corporate directions;

- making informed decisions about future job assignments; and
- developing and implementing personal career and life plans.

Through realistic and non-judgmental self-assessment and career planning assistance to their people, individual employees become more flexible and adaptive, and morale and commitment are also renewed.

According to Moses (2000), career development programmes are imperative in retaining valued employees while simultaneously ensuring greater control over the succession planning process. Retention research indicates that individuals tend to stay longer where they experience personal and professional growth (Moses, 2000). Internal career development is instrumental in providing that vehicle for growth. Employers who actively partner with their employees in aligning career direction with company goals realise better retention rates. Employees who are involved in a career plan for their personal development report more satisfaction in their work and tend to stay longer (Moses, 2000).

According to Moses (2000), the synergy between career development and succession planning should be part of an ongoing business strategy that incorporates retention and succession planning as part of the systematic organisational structure. Internal career

development, training initiatives, mentoring, coaching, evaluations, annual reviews, and orientation programmes are meaningfully connected to organisational goals. The result is a workable process that consistently addresses the corporate requirements for finding, keeping, and placing talent in appropriate positions as needed. The organisation experiences positive profit oriented results while preparing for future business needs based on mutual corporate and individual growth. Moses (2000) states that the viewing of career development in conjunction with succession planning provides the organisation and the individual with what is necessary and desirable to both employer and employee. Each perceives a reciprocal win.

Herman & Gioia (2000) theorised the following case for career development and succession planning synergies:

- the organisation should define its succession planning process broadly, to include all the critical roles existing currently, in the short-term, and where necessary in the future;
- the corporate business plan to be treated as an instrument to guiding employees towards an understanding of themselves in terms of their contribution within the organisation;
- an individual career plan to be crafted parallel to the company plan; and
- the initiating of corporate and self-assessment.

According to Byham (2000), for organisations to obtain the necessary executive talent in

the next decade and beyond, a drastic change is needed. One remedy would be to use the acceleration pool system as a vehicle for grooming executive talent. Rather than targeting one or two people for each senior management position according to traditional succession planning, an acceleration pool includes the development of a group of high potential candidates for undefined jobs at the executive level. The development of these pool individuals is accelerated through 'stretch' assignments that offer the most effective learning and highest visibility opportunities. Pool members spend less time on assignments, are involved in training, attend special development experiences, such as university executive programmes and in-company action learning sessions, and receive more feedback and coaching (Byham, 2000).

Byham (2000) states that acceleration pools are built around several factors that define the characteristics of the top managers who are needed to move the organisation forward. These are as follows:

- competencies or dimensions, which are clusters of behaviour, knowledge, technical skills and motivations that are important to success in senior management;
- job challenge, which refers to the kinds of situations that those entering into top management should have experienced or at least been exposed to; and
- organisational knowledge, which encompasses the areas of an organisation that senior managers need to understand in order to perform effectively.

Benchmark organisations use a combination of job performance, interview and assessment data to identify people of high potential and to diagnose competency and development needs (Byham, 2000).

The Business Horizons (Beeson), highlights a crisis in CEO succession occurring in such highly visible companies as AT & T. Their difficulty in filling important CEO positions created renewed interest in succession planning and executive development throughout the business community, and revealed some important points regarding corporate efforts to develop managerial talent. Companies such as General Electric, with the greatest long-term success in filling positions at the apex of the organisation, concentrate not only on CEO succession but also on building bench strength and a line of talent throughout the managerial ranks (Beeson, 1998).

According to Boeser (ASTD, 2000), employees require extensive training and career development programmes. In 1997, a Society for Human Resource Management survey on retention practices found that of those employees voluntarily separating from their organisations, 85 percent felt that their organisation was not providing them with the career development that they wanted.

According to Beeson (1998), senior executives in most firms are acutely aware of the need to develop executive talent. They view this lack of management depth as a major

constraint to growth and future profitability. To build talent for the future, high-performance companies that are known for the calibre and depth of their management, employ the following best practices:

- 'deep-cut' succession planning involving early identification of talent;
- aggressive management of 'high leveraged' development assignments;
- meaningful executive reviews and or mechanisms to ensure follow up of development;
- leadership competency models according to 360 degrees feedback;
- multiple points of view in assessment;
- external talent benchmarking involving leverage through external search firms.

According to Byham (2000), companies need to define the executive roles and associated competencies they need to reach their ultimate business objectives and conduct a census to find out who is available within their organisations. Management who used assessment centres and multiple-perspective instruments, such as 360 degree reviews, often found more latent talent than they imagined.

Byham (2000) stated further that with this information organisations have three options for building the leadership corps they need. These are:

- the short term: delay and search, by which top calibre executives and managers are attracted to stay. The most expedient action is to delay the retirement of current talent. Another immediate but short-lasting solution is to recruit talent

externally.

- the long term: acceleration pools, through which a strategy on ‘acceleration pool’ is developed, made up of leadership candidates from a wide range of leadership levels. The ‘acceleration pool’ system is a process by which an organisation assures that its top positions will be filled with qualified candidates. The acceleration pool works much like a championship athletic team that first finds the best athletes available, and then decides where to place them in the line-up.

In summary. In order to attract and retain appropriate people, management must ensure their career growth, career development, and a chance for advancement. Employees with potential want to know that there is movement within their organisations even if this is horizontal. It would be irresponsible of organisations to encourage ambitious individuals to stay in an organisation without providing them with appropriate opportunities leading to advancement. Succession plans should be linked to properly developed individual career paths. Management in organisations is moving away from traditional succession planning towards an ‘acceleration pool’ concept, whereby they develop a group of high potential candidates for undefined jobs at the executive level. This is planned in order to ensure continuity of management in the organisation, and continued customer service.

2.1.3 Individual and Organisational Development

According to Herman & Gioia (2000), training for retention is a strong strategy.

Employers offer in-house training and education programmes, and contract external professional trainers. In addition employees are enrolled for courses and seminars at colleges and universities and for educational sessions sponsored by trade associations. Tuition reimbursement, cross training and special assignments are offered. The organisation's mentoring and coaching programmes will provide personal development and enable each employee to create his/her own schedule with the support of the employer.

The most successful corporations from 1990 onwards have been learning organisations. Leading organisations focus on generative learning, which concerns creativity, and adaptive learning which concerns managing. Continuous experimentation and feedback requires a new way of looking at the world (Senge, 1990).

Johnson (1998) argues that once talented people have been recruited, it is necessary to think creatively in order to optimise their usefulness. The literatures suggest that they be promoted and challenged, and then use them in risk situations in order to retain them. Talented individuals require an environment that is stimulating and rewarding, and that is guaranteed to increase their skills levels to enhance future employability. Development is essential in creating and maintaining loyalty; those companies in which the best talent is not recognised and rewarded, risk losing them to competitors who do (Johnson, 2000).

According to Wagner (2000), ASTD found a correlation between organisational investment in training (or employee development) and higher stock market returns to those organisations.

Wagner (2000) stated that in an organisation poll, it was established that American workers who received employer-sponsored training were better satisfied with their jobs and more likely to stay with their employers than those who did not receive training were.

Companies were tending to link their employee growth and development initiatives to their recruitment and retention strategies (Wagner, 2000).

On the issue of developing technical experts as managers, Newkirk-Moore & Philpott, (2000) postulate the following rationale, that the success in the transition of technical experts to management was dependent on the incorporation of managerial and leadership training. Management requires skills such as listening, team leadership, critical feedback, corrective action with team members, managing performance, coaching, motivating, delegating, planning, thinking strategically/and creatively/, budgeting, allocating resources, anticipating, leading change and much more. The ultimate benefits of managerial development are having managers who are better trained, improved company retention, and clear succession and career paths.

The Financial Mail (Planting, 2000) discussed the following steps that were considered to

be crucial in order to develop talent aggressively:

- promoting of the best incumbents into critical positions early and often;
- incorporating a culture of extensive feedback and coaching into the company;
- Identifying the real retention solution, that is, talent lies with people in the mid-phase of their careers, not at the top;
- non-performers should be moved out of critical jobs; and
- staff should be compensated for their talent and value, not their nominal positions.

According to Zenge (2000) leadership development should occur according to the following imperatives.

- start at the top;
- begin with results, back into attributes;
- build scoreboards for results;
- link competencies to results;
- change the learning methodologies;
- transform leadership development from an event into a process;
- create accountability;
- help leaders to transform complexity into simplicity and perceive from a wider perspective;
- Create realistic, pressured situations in which to learn, fail and try again; and
- train all who are involved to lead.

In his seminar, Dave Ulrich (2000) proposed of the following model.

Table 2: Strategies for building employee competence

Strategy	Definition
Buy	Acquire new talent by recruiting individuals from outside the firm or from other positions within the firm.
Build	Train or develop talent by further education, formal job training, job rotation, job assignments and action learning.
Borrow	Partner with those outside the firm (e.g. consultants, vendors, customers, and/or suppliers) as a source for new ideas.
Bounce	Remove individuals who are low performing or not performing up to par.
Bind	Retain the most talented employees.

Source: Ulrich (2000)

Ulrich also proposed the following leadership development activity:

Table 3: Leadership Development Activity

Formal training: in-company
Formal training: external
Job experiences: permanent
Job experience: temporary
Job assignments: projects
Mentoring
Coaching
360 degree feedback
Personal growth
Technology based best practice

Source: Ulrich (2000)

Herman & Gioia (2000) recommend a number of strategic choices for the provision of career growth and training as follows.

- Accountability for endorsing and supporting training/development should be assigned to the participant's immediate supervisor.
- A talent profiling process should be created that supports succession planning and/or key talent bench strength processes within the organisation.
- A company university programme should be implemented, consisting of a series of core courses focused on the critical success issues.
- The training and development efforts should be matched with strategic objectives of the company.

- Training efforts should be focused on specific performance outcomes rather than on theory or 'learning for the future'.
- Mentoring relationships should be encouraged in order to help aspiring employees understand more clearly what is required of them in order to advance and succeed within the company.
- A library should be acquired including videotapes, audiotapes, books, CD–ROM's work books, technical guides and other materials that employees can use for their personal improvement.
- Integrating development efforts should be facilitated by technical experts hosting technical discussions at work.
- External sources could be approached at reduced rates.
- One way of reducing costs and improving the return on training/development efforts would be by each supervisor or manager working with his/her direct subordinates. This would bring certainty regarding individual performance.
- Employees who are required to be retained and groomed for future positions should be encouraged to participate in training and/or development.

Training and development are not the only activities by which employees tend to remain loyal, but they are considered to be an integral reason that employees leave or stay in organisations. The Kepner–Tregoe report (ASTD, 2000) found that the three main reasons that employees left their organisations were the perceived lack of financial rewards, recognition, and career development.

The ASTD benchmarking service database, in which training investment data was kept for more than 2 500 organisations, postulated a different rationale from the sample companies that were part of the research, and submitted the following findings:

- they trained more people and offered training-eligible employees more hours of training;
- they spent less per employee, but more as a percentage of payroll, on employee training;
    - they delivered training more often using learning technologies and less in the classroom;
    - they spent more on technology as a percentage of the training budget;
    - they made use of more outside resources to provide training;
    - they spent less on outside providers of training; and
    - they engaged more often in the use of human performance practices, such as compensation practices, work practices, training practices and especially human performance management practices (ASTD, 2000).

In conclusion, one of the most powerful retention strategies of companies is training. Individually tailored in-house and external training programmes are offered in organisations. Management links their investment in the human resources development to gross profit figures. Money needs to be expended in the training of managerial talent, in order to retain them.

2.1.4 Remuneration and Benefits

Wah (1998) established that companies in which rewards are strongly linked to business strategy, achieved stronger shareholder return than those with weaker links.

Kaye & Jordan-Evans (1999) state that managers have a critical function to fulfil in attracting and retaining talent. Many believe that this is largely dependent on money and benefits, but this is not the case. Studies have consistently shown that even though employees may say they are leaving for more money, this is only the fifth or sixth reason given several months later.

Leonard (2000) offers examples of what other companies have achieved in this area. One was that Disney afforded certain managers the authority to award salary increases summarily. Another was that most US based companies pay lucrative incentives for staff referrals.

According to Gunthrie (2000), many academics in the organisational sciences traditionally understated the importance of pay as a central role in turnover. Prevailing motivational theories tended to emphasise intrinsic motivation, and to maintain that basic needs are less important in modern society.

However, compensation and benefits were always considered to be a vital part of the relationship between employer and employee. According to Herman & Gioia (2000), a

Gallup poll for Inc. Magazine reported that 74 percent of American workers thought that they were fairly paid. Every worker was concerned about what compensation would be earned when working for an employer.

According to Herman & Gioia (2000), 'take home' pay was certainly a significant part of the compensation package. There were many other components of the compensation package, however, that had an equal or higher value than money. Each employee's package was negotiated individually and to some extent independently. Elsenstein (2000) state that U.K. companies were making changes to salary levels and structures in order to address staff retention problems.

According to Johnson (1998), companies in Europe that needed to attract high performers were routinely offering net income guarantee packages. This encompassed split payments, off-shore stock options and lucrative consultancy assignments with subsidiaries as part of the average compensation package for above-average talent.

Johnson (2000) noted that in China, housing for high performing local nationals was considered a great incentive to retain managers while their housing was being paid off. New entrants to the market were buying the housing options of employees as part of the recruitment process.

In the US, the acquisition of a 25-year old ‘genius’ software developer almost always involved offering not just the salary, bonus and stock options, but buying from them the stock they were holding in their present company (Johnson, 1998).

Kaye & Jordan–Evans (1999) suggest that fair pay was necessary in order to keep people. They also note that money alone will not retain them within the team, as it is not a major motivator. Lambou (2000) who states that many factors needed to be considered to retain valuable staff shares this view. Issues pertaining to challenge, growth opportunities, flexibility, meaningful work, a good boss as well as recognition, often in monetary forms were examples of what mattered to most people. When those were missing, talented people would leave.

Edmonson (2000) cites one company in which the company does not take care of its employees simply to be decent. They do it because it makes good business sense. The feeling was that an employee could not be expected to treat a member appropriately if they were not treated so themselves. That company rewards employees beyond the usual benefits, believing in empowerment.

It has been argued that compensation plays a primary role in the attraction of new employees (Rynes & Gerhart, 2000). Rynes & Gerhart (2000) submit the following reasons for which compensation is particularly important as a recruitment tool.

- It is a vehicle for satisfying a wide array of human needs.

- Salary offers are expressed in clear and comparable terms.
- Starting salaries have implications for future salary progression.
- Pay systems communicate much about an organisation's philosophy, values, and practices.

Rynes & Gerhart (2000) report that pay had a significant impact on job choice. In some cases it was found to be the most important factor and was among the attributes that were significantly related to the seekers' attraction to jobs. These authors found that compensation could influence turnover decisions, in that, pay level was inversely related to job search behaviour, that very low and very high performing individuals were significantly less likely to leave, and that turnover among high performers with rapid salary growth was particularly low.

According to Gavejian (1998), in an almost full employment market place such as the US, a company's ability to attract and retain qualified staff was dependent on its ability to deliver effective compensation programmes. The most useful strategy would involve a blend of compensation tools, which could include a basic salary, bonuses or incentives, benefits, perquisites and long-term incentives.

According to a survey of 473 human resources professionals (Gunsauley, 2000), benefits such as competitive vacation periods and personal 'time off' programmes, retirement plans, flexible work schedules, and training and development opportunities completed the

list of the 10 most effective retention strategies. Benefits such as transportation subsidies, physical fitness facilities, telecommunication policies and concierge services ranked at the bottom of the effective retention tool list.

To attract prospective employees, businesses have begun to offer a multitude of enticements, from common benefits such as stock options and flexible working hours, to unusual perks such as 'nap rooms', concierge services, on-site chefs, child care facilities, and company sponsored trips to exotic locations (Wagner, 2000; Hannay & Northam, 2000).

According to Levine (1997), approaches to the compensation of employees are undergoing transformation from traditional pay structures that emphasise job duties, internal equity, and tenure. More flexible systems are favoured that reward competencies, performance, and a wider range of contributions to organisational success. High performing companies use variable pay programmes much more than low-performing organisations. Companies that perform well also offer programmes that include formal celebration and broad employee selection teams as well as fewer controls on pay administration (Levine, 1997).

According to Johnson (1998), AMA investigated 69 companies in the US in all types of locations and industry sectors. It was concluded that attracting valuable employees was not based only on the cash offered, but depended on other criteria too, including whether

the organisation was one in which people would want to work for.

According to Johnson (1998), ranked in order of popularity, non-salary forms of compensation or benefits included the following:

- short-term incentives such as retention bonuses, guaranteed annual bonuses, gain sharing or profit sharing, quarterly bonuses, high cash incentive programmes, performance-based bonuses and annual incentive bonus plans;
- long term incentives: stock option plans, employee stock ownership plans, and an opportunity to gain equity in an initial public offering;
- above-market pay adjustments, including wage premiums, premiums for excessive travel, the logging of long hours, and special merit pay increases;
- training and development such as paid employee training, highly interesting assignments, development opportunities, career 'ladders' and challenging work;
- flexible work and options for more time off;
- recognition in the form of spot cash awards, certificates and other types of awards; and
- 'good' management, that has a policy of hiring talented, co-operative employees, and of providing fair treatment and strong leadership (Johnson, 1998).

Herman & Gioia (2000) offer the following compensation package guidelines as part of the organisation's strategy to recruit and retain talent:

- Payment of what people are worth in the market place;
- Performance-based pay;
- Pay for results;
- Profit-related accomplishment;
- Stock options;
- Profit-sharing;
- Domestic partner benefits;
- Direct deposit of pay cheques;
- Assistance regarding electronic payment of bills;
- Diversification insurance benefits
- Child adoption support;
- Annual physical examinations;
- Wellness programmes;
- Corporate fitness centre;
- Subsidised health club membership;
- Encouragement of good nutrition;
- Wellness training;
- Promotion of special benefits;
- Discount pricing;

- Logo apparel and items;
- Trade with other employers;
- Support of local events or attractions;
- Supplements for public transportation;
- Expansion of special events;
- Paid time off;
- Longer time off, e.g. sabbaticals for academics;
- Sensitivity to double income families;
- Care for the frail or ailing spouse;
- Dependant care;
- Childcare facilities;
- Back-up childcare facilities;
- Care of elderly; and
- Pet care.

The implication of such a strategy is that employees are likely to stay longer with the organisation although there might still be some level of attrition (Herman & Gioia 2000).

As regards compensation and benefits, the Corporate Leadership Council (1998) maintain that the most compelling offer is depended on a basic salary followed by external equity that is compared to the market. Given the overall importance of

compensation, benefits and benefit attributes, a competitive compensation package, especially in relation to the external labour market, is vital for a truly compelling offer.

Worker satisfaction needs to be a priority, as does creativity, appreciation of their talents, and respect of employees as individuals with lives outside work. Compensation is rarely the crucial issue. Financial rewards rank sixth on the list of job satisfaction criteria, after an opportunity to solve challenging problems, to work with the 'right' people and to be able to pursue interesting varied work. Job mobility is a major reason for employee low turnover (Corporate Leadership Council, 1998).

Unusual benefits that aid in the retention, excluding profit sharing are as follows:

- On-site dry cleaning service;
- Child care benefit in terms of a health aid in the employee's home to care for a sick child;
- On-site health care;
- Vacation purchase;
- Lactation rooms for mothers;
- Private offices rather than an open plan design; and
- Flexible hours and telecommuting.

Other issues that management needs to take into consideration in order to attract valuable people include challenge, growth opportunities, flexibility, meaningful work,

a ‘good boss’ and recognition (Lambou, 2000). It makes good business sense in terms of employee motivation to care for employees (Edmondson, 2000). Companies offer innovative, attractive and flexible remuneration packages in an endeavour to attract managerial talent. Pay does influence organisations' turnover rates. This has serious business implications in terms of replacement costs (Rynes & Gerhart, 2000).

2.1.5 Organisational Culture

Williams (2000) refers to the corporate culture as the work atmosphere, which tends to reflect the company’s values. The reason that one chooses one job in preference to another often depends on the corporate culture, and the most satisfied employees tend to be those who are comfortable with the corporate culture. Making staff feel ‘at home’ in their workplace may be the most successful retention strategy around the world (Jennifer, 2000). Keener (1999:81) puts it succinctly when he says: “Promoting humanity in the workplace is a good thing”.

According to Johnson (1998), the single most important element in the attraction of talented individuals is the creation of an organisation in which employees cannot conceive of working anywhere else. It would still be difficult to retain ambitious incumbents, since their concept of an organisation of choice which would be one not only offering adequate compensation to talented people, but also linking it to a rewarding, fulfilling work and a chance to develop in a pleasant working environment.

Bellingham, Cohen, Edwards & Allen (1990) who state that corporate leaders help to entrench corporate culture support this view.

As mentioned earlier, some employers adhere to the concept of 'employer of choice'. Herman & Gioia (2000), describes an 'employer of choice' as any employer, of any size, in the public, private, or non-profit sector that attracts, optimises, and holds top talent for a long tenure simply because employees choose to be there. As the company's culture becomes more widely known as a preferred place to work, the following benefits will become apparent:

- Recruiting will be considerably easier. This will save the organisation considerable expense in marketing and recruiting the people whom management considers valuable.
- With higher quality people employed, productivity will become significantly higher.
- People will choose to join an employer, and may also make a conscious decision to stay.
- The happier the employees are, the slower turnover will be.
- Such companies will be more attractive to prospective employees.
- The company's recruitment process would be much more productive and streamlined, because their reputation will enhance its ability to attract the people it needs.
- The presence of high quality employees and managers will attract similar

applicants to the organisation.

- Such companies experience less disruption in attendance, and less disruption in the workflow, this is because people who have chosen to join the company choose to remain in order to optimise their relationship with the company and with their co-workers.
- The employer will enjoy a dependable human resource base both in quantity and quality.
- The organisation will be more attractive to investors because they will be recognised for their stability and their ability to respond quickly to market opportunities and fluctuations.
- Long serving staff increases customer interest because customers like to deal with the same people on a long-term basis.
- There is greater efficiency in the customer service.
- Employees enjoy working in an exciting environment.

According to Herman & Gioia (2000), management style can enhance or be detrimental to an organisation. When an employee leaves, they rarely leave the organisation but rather a manager. Forrest (1997) believes that staff members look for new career opportunities with companies that demonstrate more visionary leadership.

Herman & Gioia (2000) discusses a Mckinsey & Co. study of 77 large firms in the U.S that identified 19 factors which strongly influenced leaders in their performance to work

for an organisation. ‘Values and culture’ were first on the list, with 58 percent of respondents noting job category as being important. Each organisation had a unique culture. Workers chose the employers and cultures that are most comfortable for them, and which are most congruent with what they seek in a work environment. Herman & Gioia (2000) believe that there are certain cultural attributes that are attractive to various types of employees.

According to Herman & Gioia (2000), employers can pick and choose which of these characteristics are important for them and their people, and they are as follows:

- High values and standards;
- Strong internal support structures;
- Removal of status barriers;
- Provision of access to information;
- Building of a culture of success;
- A successful communication system;
- Use of internal marketing to avoid messages becoming obsolete;
- Giving employees an opportunity for employees opinions to be heard;
- Emphasising on support of company spirit.

Herman & Gioia (2000) note that organisations usually have a number of rituals and traditions that define what they represent, guide the celebration of their product launches, and honour people who retire. Rituals include the way people are recognised, the

ceremonies held when people are promoted, and the bonding processes experienced when new companies are acquired. Traditions included an annual family picnic, occasional breakfast where executives serve the staff, Christmas parties and celebratory vacation trips to resort locations. Company-wide celebrations in a number of firms involve taking a few hours or even a day off work. Employees have fun together – playing games, singing, and enjoying good food. The achievement of profits through people requires consistent leadership attention, and that is the biggest barrier to success. Leaders of successful organisations see their role as systems architects, who are engaged in the task of building values, cultures, and management practices that enable the recruitment, retention, development and motivation of outstanding people. They also engage in the important work of building work practices that lead to the ideas of all people becoming known and used (Pfeffer, 1998).

According to Merrick (1998), the corporate culture will affect the improvement of recruitment and retention. The creation of an employee-friendly environment is important. Equally important to both candidates and existing staff are the subtle and informal practices that create an irresistible corporate culture and make a company or department a fun place to work in. Frequent praise and recognition, open lines of communication and creativity, idea sharing should be party to any effort to increase employee recruitment and retention. In evaluating the corporate environment, it should be remembered that small gestures make large differences, such as specialised work arrangements involving flexible work hours, telecommuting and family leave

arrangements. In the 2001 employee market, candidates have many options, and a company that offers a positive work environment, will prevail. By extending the perspective beyond standard benefits and investing in staff through a combination of financial incentives, opportunities for career advancement, a great corporate culture, a productive and loyal workforce can be maintained.

Numerous studies indicate that the management of people using high performance or high commitment practices can produce enormous economic returns. Moreover, genuine efforts to develop and recognise employees as the most important assets is difficult to emulate (Pfeffer, 1998).

Three basic principles that leaders use to transform their organisations to a high commitment model of management are the building of trust, encouragement of change, and use of appropriate measures of performance. Each of these principles helps to develop and apply employees' knowledge and competence (Pfeffer, 1998).

A 1997 survey (ASTD, 2000) among employees listed the following items as aspects in which an organisation could thrive:

- Employee job opportunities and career development.
- A work/life balance that respects quality of life, and offers a family friendly environment.
- Employee/employment principles in respect of self-esteem and responsibility.
- Compensation and benefits that are competitive in the market place.

- Management (communication and philosophy).
- A flexible work environment.
- An organisational culture of learning and caring.
- Company success and quality.

Corporations demonstrate social responsibility in various ways and some involve their employees in community services. These choices are important, and influence employee choices about where they will work and continue to work.

The ASTD and SHRM (ASTD, 2000) research in several companies with regard to employee growth and career development revealed the following findings:

- value their workers;
- tie workforce initiatives to organisational strategies;
- understand their own identity and culture;
- employ individuals with the right skills;
- understand the importance of employee growth and career development;
- link training to human resources and operations;
- provide training and development for everyone;
- use competencies for individual development; and
- track and measure their initiatives.

Ulrich (2000) used a model to explain the issue of organisational culture. This is explained below:

Management Action	**Definition**
Vision	Leaders have a point of view about the future that energises employees
Opportunity	Employees have a chance to grow, learn new skills
Incentive	Employees receive financial rewards for good performance
Impact	Employees engage in work that has an impact
Community	Employees are proud to be part of their work team
Communication	Employees have knowledge about what is happening and why
Entrepreneurship	Employees experience flexibility, change and progress in their work setting

Some organisations adopted an 'employer of choice' orientation in an endeavour to attract managerial talent. These organisations' management style permeates such organisations, rendering them attractive to recruits. Such organisations experience little turnover and tend to be successful, thereby becoming attractive to investors. The organisations' value system and culture offers individual employees a choice of whether to join it or not.

2.1.6 Conclusion

Globally, the issue of retention of managerial talent has become an important issue for many companies' survival. Locally, South Africa was behind the rest of the developing nations, in the area of people development (World Competitiveness Report, 1999). As a consequence, management has to take into cognisance all the relevant factors as already elaborated upon earlier in the literature, in their attraction, development and retention of managerial talent. Management were aligning the development of their staff with profitability because the loss of staff could have a damaging effect on the company's financial results, due to replacement costs and lack of operational continuity whilst desired employees were being sought. Furthermore, succession planning and the career progression of the lower level hierarchies could assist in leveraging the human resources shortfalls. The deployment of critical managerial skills in the light of downsizing of the company and the brain drain experienced from expatriates needed to be aligned to the manpower planning strategy

Pay alone cannot be effectively utilised as an attraction tool. The recognition of employees for their worth, a good relationship with the boss, and career development opportunities were perceived to be effective retention tools. Organisations were attaching several financial and non-financial benefits as part of their recruitment and attraction strategies. Individual employees would be attracted to those employers who are regarded as employers of choice. Sun International has to focus upon picking up relevant factors in the light of the globalisation of the SA market and adapt them to local conditions.

Also the issue of training and development should be aligned to the organisational strategy and should not be done in isolation. Hence it is imperative that is directly linked to the organisation's succession and career management and ultimately to the appropriate reward levels.

The issues associated with organisational culture cannot be underestimated, especially in the light of the retention strategies embarked upon. Attraction and development of managerial talent will be severely compromised if organisational cultural issues are not conducive for managerial talent to stay. Therefore, it is imperative that considerable resources are devoted to this arena in order to align it to the overall human resources strategy of the organisation.

Table 4: Summary of factors from the research questions

Factors	Author(s)
The organisation is well known internationally	Planting, 2000
The organisation is a leader in its field	Planting, 2000
The organisation is entrepreneurial	Planting, 2000
The organisation is financially secure	Planting, 2000
Working hours are flexible	Carolyn, 2000 ASTD 2000 ; Kaye & Jordan-Evans 1999 ; Johnson 1998
Staff can work from home	Johnson 1998
My job allows me to be innovative and solve complex problems	Hannay & Northam 2000 ; Planting, 2000; Kaye & Jordan-Evans 1999
There is considerable freedom to determine my own work schedule	Hannay & Northam 2000 ; Kaye &Jordan -Evans 1999
The organisation provides access to leading edge technology	Kaye & Jordan-Evans 1999
The organisation is 'high tech' in nature	Kaye & Jordan-Evans 1999
The organisation financially supports ongoing study	Hannay & Northam, 2000
The organisation provides job security	Kaye & Jordan-Evans 1999
The organisation provides opportunities for career advancement	Breuer, 2000 ; Planting, 2000; Kaye and Jordan-Evans 1999 ; Kaye & Jordan-Evans 1999 ; Nelson 2000 ; Herman 1999 ; Herman & Gioia 2000 ; Beeson 1998
The organisation provides a variety of personal development opportunities	Wagner, 2000; Barth 2000 ; Planting, 2000; Kaye & Jordan-Evans 1999 ; Herman 1999 ; Beeson 1998

Opportunities for career change within the organisation are available	Wagner, 2000; Barth 2000 ; Planting, 2000; Kaye & Jordan-Evans 1999 ; Beeson ,1998
Staff have opportunities to build professional reputations	Moses, 2000
The organisation ensures fair, merit-based promotions	Rynes & Gerhart ,2000
The organisation values its people	Catt and Scudamore, 1997 ; Planting, 2000; Kaye & Jordan-Evans 1999 ; Nelson 2000
The organisation values and promotes team work	Johnson 1999 ; Kaye & Jordan-Evans 1999
Individual and team successes are celebrated	Herman & Gioia 2000
The organisation provides mentoring and coaching	Johnson 1999
There is strong and visible leadership	Planting, 2000; Kaye & Jordan-Evans 1999 ; Herman & Gioia 2000
The organisation has a strong induction programme	Johnson 1999
Dress at work is informal	Kaye & Jordan-Evans 1999
The organisation offers a market related salary	Planting, 2000; Kaye & Jordan-Evans 1999
A significant component of my salary is performance based	Planting, 2000
Personalised remuneration packages are available	Planting, 2000
The organisation offers sign-on bonuses for employees with special skills	Herman & Gioia 2000

Compensation is fair	Hannay & Northam 2000 ; Kaye & Jordan -Evans 1999 ; Johnson 1999 ; Herman 1999
A profit sharing scheme is available	ASTD 2000 ; Herman 1999; Johnson 1998
A share option scheme is available	ASTD 2000 ; Johnson 1998
A short term insurance scheme is available	Herman & Gioia 2000
Medical aid benefits are available	Herman & Gioia 2000
A retirement scheme is available	Herman & Gioia 2000
A life insurance scheme is available	Herman & Gioia 2000
A housing scheme is available	Herman & Gioia 2000
A child care scheme is available	ASTD 2000 ; Herman & Gioia 2000
An elder care scheme is available	Herman & Gioia 2000
Family responsibility leave is available	Herman & Gioia 2000 ; Johnson 1998
Maternity and paternity leave are available	Herman & Gioia 2000
Personal counselling services are available	Herman & Gioia 2000
Adequate vacation leave is available	Herman & Gioia 2000 ; Johnson 1998
There are opportunities for social networking	Kaye & Jordan - Evans 1999
Financial planning advice is available	Herman & Gioia 2000 ; Johnson 1998
Staff have access to fitness centres at work	Herman & Gioia 2000
Good working relationships exist between staff and superiors	Barth, 2000 ; Planting, May 2000 ; Kaye & Jordan-Evans 1999 ; Herman & Gioia 2000 ; Nelson 2000 ; Herman 1999
There is a supportive network of colleagues and associates	Kaye & Jordan- Evans 1999 ; Herman 1999
The organisation rewards innovation	Herman & Gioia 2000, Johnson 1998
The work environment is conducive to building effective relationships	Planting, 2000; Kaye & Jordan-Evans 1999 ; Nelson 2000 ; Herman 1999
The organisation is performance and results driven	Herman & Gioia 2000

The organisation is fun to work for	Herman & Gioia 2000
I am empowered to do my job	Planting, 2000; Hanay & Northam 2000 ; Kaye& Jordan-Evans 1999

CHAPTER 3

3. Research Proposition

Three propositions formulated for this topic were as follows:

Proposition 1:

A specific set of factors will emerge as important in the attraction, development and retention of managerial talent within Sun International.

Proposition 2:

The factors that are considered to attract, develop and retain managerial talent will differ in respect of race, gender, age, level in the organisation, qualifications and level of experience.

Proposition 3:

There is a perceived difference between organisational delivery and what is considered to be important by managerial staff.

Chapter 4: Research Methodology

4.1: Introduction

This chapter will examine the methodology used for this research report. This study was based on a survey using a questionnaire (Leedy, 1997). This enabled the measurement of respondents' attitudes to the propositions under study. The chapter includes a discussion about the sample, the method of data collection, the questionnaire, the pilot study, and the methods of analysis used.

4.2: Population

The population consisted of managerial employees from junior to top management within the different divisions of Sun International.

4.3: Sample

Convenience sampling was considered appropriate for this study (Leedy, 1997), and as such, was not purported to be representative of the total population. The reason for using this method was the availability of the sample. All managerial employees from the various divisions of Sun International were included in the sample.

4.4:Data Collection

The research topic lent itself to a methodology commonly used for surveys – that is data collection by means of a questionnaire.

The pilot study was conducted with 10 managers who were chosen randomly and were representative of the various management levels. The purpose of the pilot study was to check the validity of the questionnaire and the ease within which it could be completed, whilst allowing for comments from the respondents in terms of areas of improvements.

After the finalisation of a pilot exercise, a standard covering letter (reproduced as Annexure 1) which explained the purpose of the research was sent to all units at Sun International's units. The human resources information system (PeopleSoft) was used to contact all managers, from junior to top managers in all divisions at Sun International. This covering letter was accompanied by a research questionnaire (Annexure 2), which detailed the instructions for its competition.

Both electronic and manual methods of delivery (e-mail, fax and courier services) were employed in the dispatch and collection of the questionnaires.

Sun International Human Resources managers were asked to co-ordinate the responses. The vast majority of respondents preferred to respond directly and some cited fear of victimisation as a major reason. Information from all questionnaires received was captured in a table for statistical analysis. Spoilt responses were discarded.

4.4.1: Questionnaire

The most appropriate methodology for obtaining subjective information of the nature required for this study is by self-administered questionnaire. When designing a questionnaire, it is important to ensure that the questionnaire address the research problem (Leedy, 1997).

A research questionnaire designed to address the issues addressed in the propositions was used. It comprised three sections:

Section 1 consisted of demographic questions. Candidates were asked to complete this section by placing an X in the appropriate box. Questions asked were the respondents educational level, from diploma to doctorate qualifications. Managers were asked the division at Sun International which they were employed. The second part consisted of all Sun International divisions, in order to be able to take appropriate action in terms of addressing specific divisional gaps after the research was completed. Managers were asked their level within the organisation, from junior management to top management. They were asked to complete the number of years of experience within Sun International, from less than a year to more than 25 years within the company. Other demographic questions were with regard to total years of working experience after schooling, between less than a year to more than 25 years; racial identity groupings according to groupings were representative of Blacks, Coloureds, Indians and Whites; age range; and sex.

Section 2 delineated all the factors that impact on attraction, development and retention of managerial talent. It consisted of two parts, A and B, and candidates were asked to indicate their responses by placing an X for each factor in one of the five columns, denoting a measure of importance from 1 to 5, with 1 being of no importance and 5 of great importance. In Part A, candidates were asked to indicate to what extent they viewed each factor as important in attracting, developing and retaining them within Sun International. In Part B they were required to indicate the extent to which Sun International fulfilled or offered the factor. An example of how the candidates could mark their responses was included in the instructions. A total of 73 questions consisting of all the factors were to be completed in this section.

Section 3 consisted of requests for personal comments. Candidates were asked to add anything that was not included under Section 2 that they believed would increase an organisation's ability to attract, develop and retain them. The second question in this section asked candidates to describe any significant incidents that influenced their attraction, development opportunities and their decision to stay.

4.4.2: Pilot study

The importance of piloting a questionnaire may be critical to the success of the research. Pirow (1990) advises that it may be difficult to design a questionnaire correctly at the first attempt, and suggests that a pilot study should involve administration of the draft question to an intelligent ‘ captive’ audience.

In order to pre-test the finalised questionnaire and assure its acceptability, a draft questionnaire was presented to 10 managers to complete. These managers were randomly selected and in categories from junior to top managers who were employed by Sun International.

The purpose of the pilot study was to check the following:

- the ease with which the questionnaire could be completed;
- that all the possible factors were included;
- whether any additional factors needed to be included; and
- whether any other issues needed to be considered.

Results of the pilot study led to acceptance of the questionnaire. All 10 participants agreed that it covered all the possible factors pertaining to the research question and that it was properly structured and was easy to complete.

4.5: Data Analysis

Data analysis requires the transformation of the raw data into classified or coded answers for purposes of statistical analysis (Bendixen & Sandler, 1995).

The raw data obtained from the questionnaire comprised both qualitative and quantitative data. The quantitative data, once rescaled, was assumed to be intervally scaled. In order

to understand the associations and relationships between the data, statistical analysis was undertaken.

As the questionnaires were received they were screened for completeness, numbered, and dated. The data was entered on an Excel spreadsheet. Questionnaires that were not usable were discarded and excluded from the sample and numerical sequence. The resultant spreadsheet was then imported into the Number Cruncher Statistical System (NCSS) (Hintze 1996) which was used to perform the statistical analysis.

Descriptive statistics procedures were first performed to provide tabulated summary information regarding the characteristics of the respondents.

4.6: Rescaling Ordinal data using Correspondence Analysis

Correspondence analysis was used to rescale the data and a correspondence plot facilitated the placement of rows in column space in order to ascertain the relative importance of each statement

The technique of factor analysis demands interval scaled data, at the very least. Bendixen (1994) explained that ordinal scaling provided by a five-point scale could be used only for limited statistical analysis.

Table: 5. Rescaling of ordinal data to interval scales using correspondence analysis

		Importance		**Expectations**		**Delivery**	
Completely unimportant	1		1.00	Far below	1		1.00
Not very important	2		2.12	Does not meet	2		2.31
Important	3	Became	3.35	Partially meets	3	Became	2.95
Very Important	4		4.12	Fully meets	4		3.65
Critically important	5		5.00	Exceeds	5		5.00

In the 'delivery' questions, the square root of the trace indicated strong dependence at a value of 0.57. The representation of the scale points in two-dimensional space was effected with a trade-off of 11.5% accuracy, and as such was a good representation. The point 'exceeds expectations' was positioned far from the point 'fully meets expectations', and the point 'far below expectations' was far from 'does not meet expectations'. The results indicate that respondents seldom selected the extremes on the scale. The choice of 1 or 5 on this scale indicated an extreme opinion, and is therefore given additional weight by the re-scaling procedure. Employees in the company may have been reluctant to criticise the organisation strongly even if they are given assurances about the anonymity of their responses. On the other hand, they seldom thought that the company was exceeding their expectations in terms of delivery.

4.7: Factor Analysis

Green & Tull (1978) state that factor analysis is a generic name given to a class of techniques whose purpose often consists of data reduction and summarisation. It does not entail partitioning the data into criterion and predictor subsets; rather, interest is centred on relationships involving the whole set of variables.

Stewart (1981) identifies three general functions of factor analysis. These are reductions of the original set of variables to a small set which account for most of the variance of the initial set; identification of qualitative and quantitative distinctions among the data; and testing hypotheses about quantitative and qualitative distinctions among the data.

Since the purpose of this research was to determine those factors that were perceived to be important in the attraction, development and retention of managerial talent, factor analysis was considered to be the appropriate tool.

The data was analysed in NCSS, making use of the principle components algorithm. Forty-two of the 181 responses in the importance rating data set had missing values. In order to preserve the size of the sample, those missing values were estimated using the multivariate normal estimation technique available in NCSS.

4.8: Sub-group testing

Factor scores were generated for an 11-factor solution. These represent standardised ratings that respondents would have given for each factor had they been required to rate the factors rather than the individual statements.

The factor scores were then examined using descriptive and inferential statistics. The demographic grouping variables were used to segment the respondents into sub-groups, and the responses of each sub-group were compared with other sub-groups to establish which issues cause the groups to differ significantly from one another. Two sample t-tests and ANOVA tests were used. In each case the normality of the distributions and the equality of variance of the sub-groups were tested, and non-parametric tests applied where the tests were violated.

In the case of the two-sample testing the following table was used to guide the choice of test used in each case.

Table 6: Two sample testing

	Distributions have equal variance	**Distributions have unequal variance**
Both distributions are normal	Equal Variance T-Test	Unequal Variance T-Test

In the case of the ANOVA testing, there is no alternative when the assumption of equal variance is violated. In those cases an XX or XY indicates that there was no appropriate

test. Only two alternatives remain when testing for equality of means / medians of multiple groups: the ANOVA test when the assumption of normality is not violated, and the Kruskall Wallis non-parametric test when the assumption of normality is violated.

4.9: Chi-Square tests of independence

Since many of the differences in scores occurred across a number of sub-groups, the results of the many tests performed in this section were summarised, and the extent assessed to which the sub-groups of employees may be related to one another. Chi-square tests are a good indicator of which variables are related to one another. Table 7 below lists the probabilities by comparing groups. All testing was at a 5% level of significance, and probability levels less than 0.05 indicate that the sub-groups were statistically significantly different.

It was not possible to include division in this analysis as the large number of categories implied that the expected frequency in each cell was frequently below the required minimum in order for the Chi-square test to be robust.

Table 7: Chi-Square tests of independence

	Edu	Level	SI Exp	Tot Exp	Race	Age	Gender
Edu	-	0.007	0.025	0.000	0.000	0.140	0.627
Level	0.007	-	0.007	0.000	0.000	0.000	0.000
SI Exp	0.025	0.007	-	0.000	0.790	0.000	0.003
Tot Exp	0.000	0.000	0.000	-	0.054	0.000	0.010
Race	0.004	0.000	0.790	0.054	-	0.368	0.636
Age	0.140	0.000	0.000	0.000	0.368	-	0.001
Gender	0.627	0.000	0.003	0.010	0.636	0.001	-

This Chi-square test analysis indicates strong dependence between a number of the demographic variables. The only variables that appeared not to be dependent on one another were as follows:

- age and education;
- gender and education;
- race and sun international experience;
- race and age; and
- race and gender.

Furthermore, the above grid shows that there is strong dependence between a number of the demographic variables, which are as follows:

- Level, Sun International experience, total experience, race, age and education.
- Gender, age, race, total experience, Sun International Experience, education and level.
- Gender, age, total experience, level, education and Sun International Experience.
- Gender, age, race, Sun International Experience, level, education, and total experience.
- Total experience, level, education and race.
- Gender, total experience, Sun International experience, level and age.
- Age, total experience, Sun International experience, level and gender.

CHAPTER 5: PRESENTATION OF RESULTS

In total, 188 responses to the questionnaire were received. Some responses had a large number of missing cells, however, the number of useable records was 181.

The demographic breakdown of the sample is represented in Figures 1 to 8. A tabulated summary is included in Appendix 4 and 5. The demographic breakdown of the sample is described in more detail in the following sections.

1.1: Education

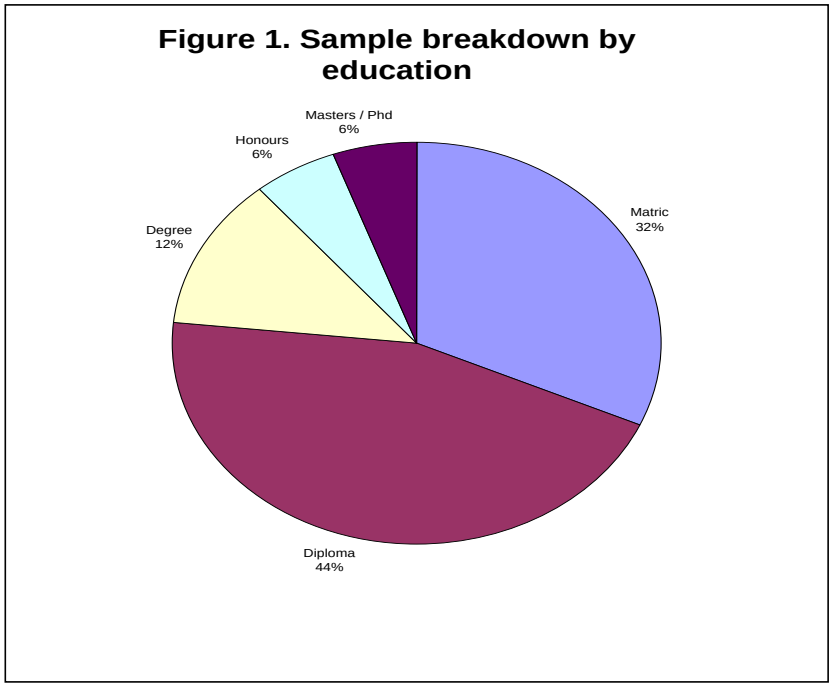


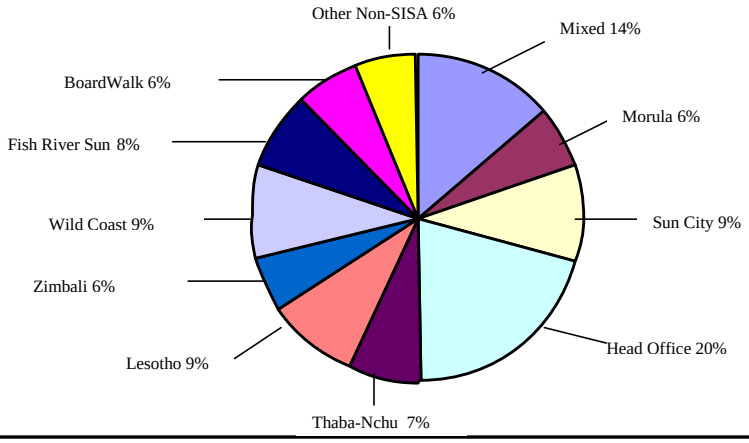
Figure 1 showed that 76% of the sample completed their education without obtaining an academic degree. Most of these recruits had a specialised casino industry diploma within

the casino industry. Therefore 44% of the respondents hold a diploma qualification. To date there was no formal degree qualification in the casino industry in South Africa. The only formally qualified candidates, who accounted for 24% of the total number of respondents, were largely confined to the support areas of the business, such as finance, engineering, human resources, marketing and information technology.

1.2: Organisation Division

Comment [U1]:

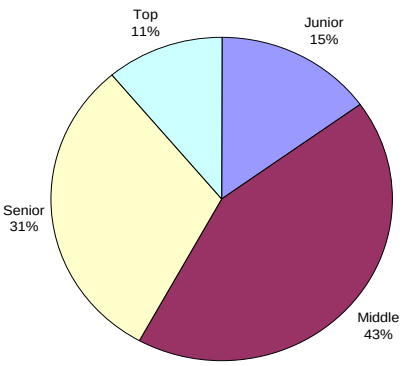
Figure 2 : Sample breakdown by division



The majority (20%) of the respondents were based at Head – Office, with 14% coming from the mixed units because of relatively few respondents in five particular divisions. As a result most major strategic decisions were taken at head-office level. The various divisions within Sun International were run by a small team of dedicated managers whose mandate was largely confined to the operationalisation of head-office strategy.

1.3: Grade

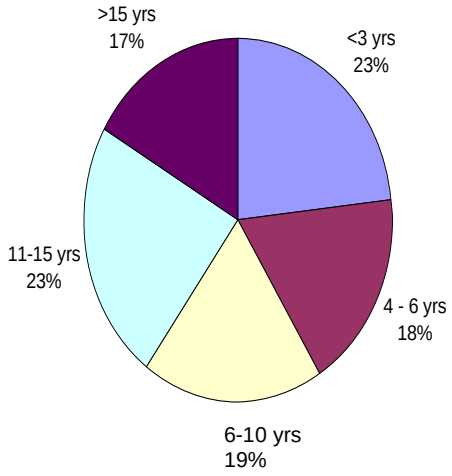
Figure 3: Sample breakdown by grade



As shown in figure 3, only 42% of the total number of respondents occupied decision-making positions as senior and top managers. The majority of the respondents (58%) occupied operational positions. As seen in figure 3, this statistical split was closely aligned to Figure 2. This can be attributed to the manner in which Sun International was structured. All 11% of the top management team were based at head-office as executive directors, which accounted for the centralisation of major decisions.

1.4: Sun International Experience.

Figure 4: Sample breakdown by Sun International experience



Respondents with between 11 and 15 years' service accounted for 23% of the sample. Managers with less than 15 years service accounted for a majority of 51% of the total number of respondents. Most managers had accumulated lengthy years' service with the company. The growth of Sun International since 1999 resulted in an increase in the number of managers, and 23% of respondents had been with the organisation for less than three years.

1.5: Years of Total Work Experience

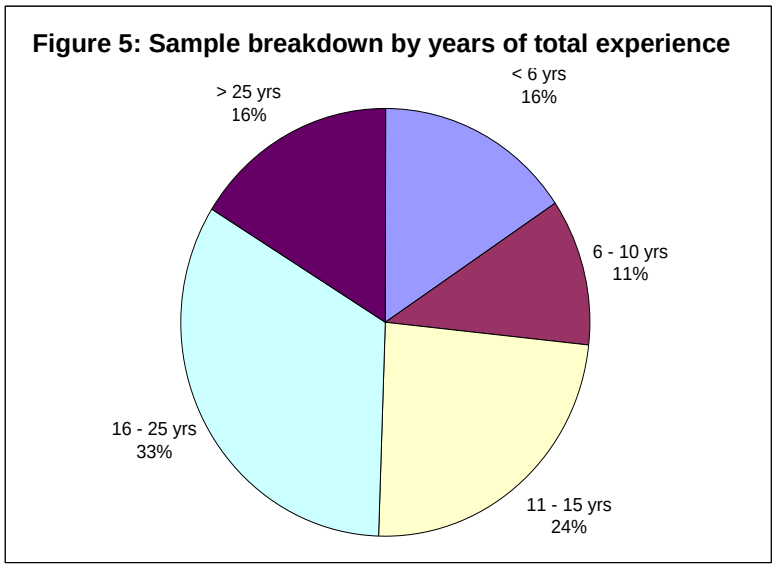


Figure 5 showed that 49% of the respondents accounted for more than 16 years' total work experience. Sun International had a sole monopoly of the market from the late 1980s into the 1990s. Most of the longer serving managerial employees started their careers within the casino industry.

1.6: Race

Figure 6: Sample breakdown by race

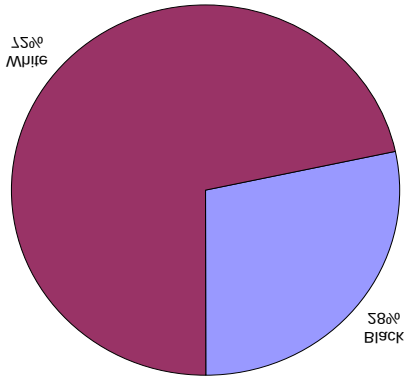


Figure 6 showed that 72% of the managerial employees in the sample were white, and 28% black. In the 1980s, the recruitment strategy at Sun International was largely based on foreign recruits which contributed to black managerial employees being in the minority.

1.7. Age

Figure 7: Sample breakdown by age

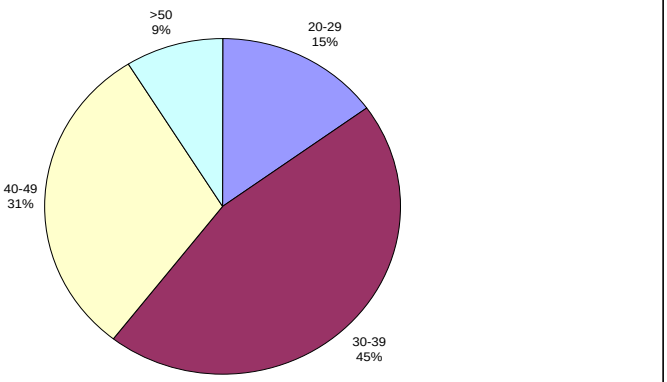


Figure 7 showed that 60% of respondents were below the age of 40 years which denoted a relatively young managerial team within Sun International. In fact, the percentage of managers over the age of 50 years only accounted for 9% of the total managerial population within Sun International.

1.8: Gender

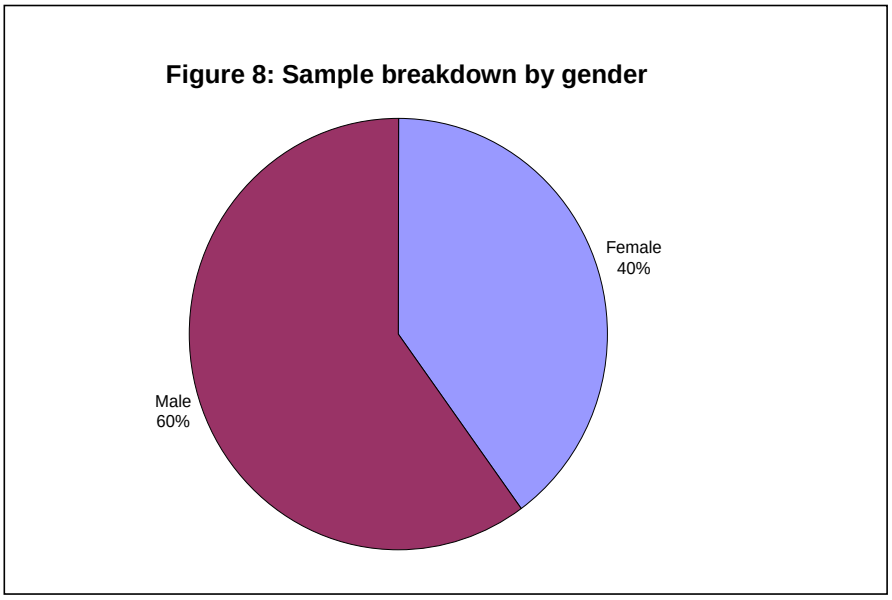


Figure 8 showed that the majority (60%) of managerial employees within Sun International were male and 40% female.

The 181 responses to the questionnaire were subjected to the re-scaling technique described by Bendixen & Sandler (1995). The statements (strongly agree to strongly disagree) were plotted on a two-dimensional graph, and then the Euclidian distance between the points was calculated.

To realise results regarding the importance questions, the square root of the trace was calculated. This was a measure of the extent of the level of dependence between questionnaire statements and measures of agreement and indicated strong dependence at a value of 0.58. The representation of the scale points in two-dimensional space was effected with a trade-off of 11% accuracy, and as such was a good representation of the scale. Respondents grouped 3, 4 and 5 more closely together than 1, 2 and 3. In this section, very low scores are weighted more heavily, in that they represented more extreme views, and were given a value further from the mid-point of the semantic scale than high scores.

The re-scaled values replaced the original responses for all subsequent data analysis.

5.1.1: Importance-delivery gap tests

Table 8: importance and delivery mean scores for each issue

Statements	Issue	Importance	Rank	Delivery	Rank	Difference	Significance
38	The organisation places strong emphasis on client satisfaction	4.63	1	3.49	8	1.14	0.00
5	The organisation is financially secure	4.55	2	3.79	3	0.76	0.00
9	The organisation offers products and services of a high quality	4.54	3	3.46	11	1.07	0.00
24	The organisation provides job security	4.50	4	3.53	6	0.98	0.00
3	The organisation is a leader in its field	4.47	5	3.87	2	0.61	0.00
33	The organisation values its people	4.44	6	2.91	46	1.53	0.00
53	A retirement scheme is available	4.40	7	3.50	7	0.90	0.00
66	Good working relationships exist between staff and superiors	4.40	8	3.09	31	1.31	0.00
73	I am empowered to do my job	4.35	9	3.29	19	1.06	0.00
52	Medical aid benefits are available	4.34	10	3.33	15	1.00	0.00
25	The organisation provides opportunities for career advancement	4.33	11	3.05	34	1.28	0.00
41	There is strong and visible leadership	4.32	12	3.16	26	1.16	0.00
2	The organisation is well known in South Africa	4.27	13	4.20	1	0.06	0.45
21	The organisation provides access to leading edge technology	4.25	14	3.29	17	0.96	0.00
34	The organisation values and promotes team work	4.23	15	3.06	33	1.18	0.00
30	The organisation ensures fair, merit-based promotions	4.22	16	2.77	54	1.45	0.00
71	The organisation is performance and results driven	4.20	17	3.28	22	0.92	0.00

37	Regular feedback on performance is provided	4.16	18	2.87	51	1.29	0.00
44	The organisation offers a market related salary	4.16	19	2.98	41	1.19	0.00
26	The organisation provides a variety of personal development opportunities	4.14	20	3.10	28	1.04	0.00
72	The organisation is fun to work for	4.14	21	3.08	32	1.05	0.00
4	The organisation is entrepreneurial	4.12	22	3.29	18	0.83	0.00
29	Staff have opportunities to build professional reputations	4.12	23	3.05	35	1.07	0.00
17	My job allows me to be innovative and solve complex problems	4.10	24	3.29	20	0.81	0.00
31	The organisation values diversity	4.08	25	2.96	44	1.13	0.00
22	The organisation is high tech in nature	4.06	26	3.31	16	0.74	0.00
67	There is a supportive network of colleagues and associates	4.05	27	3.02	37	1.03	0.00
36	The organisation provides globally accredited training and development	4.05	28	3.09	30	0.96	0.00
40	The organisation provides mentoring and coaching	4.05	29	2.86	52	1.19	0.00
62	Adequate vacation leave is available	4.04	30	3.45	12	0.59	0.00
70	The work environment is conducive to building effective relationships	4.03	31	3.00	39	1.03	0.00
69	The organisation rewards innovation	4.02	32	2.61	58	1.41	0.00
39	Individual and team success are celebrated	4.00	33	2.69	56	1.31	0.00
18	There is access to considerable budget and other resources to do my job	3.94	34	2.93	45	1.00	0.00
20	There is considerable freedom to determine my own work schedule	3.93	35	3.34	14	0.60	0.00
48	Compensation is fair	3.93	36	2.91	47	1.02	0.00
23	The organisation financially supports ongoing study	3.91	37	3.20	24	0.71	0.00

6	The organisation has global business connections	3.90	38	3.56	5	0.34	0.00
45	A significant component of my salary is performance based	3.90	39	2.59	59	1.32	0.00
27	Opportunities for career change within the organisation are available	3.85	40	3.03	36	0.82	0.00
7	The organisation is perceived to be socially responsible	3.85	41	3.28	21	0.57	0.00
42	The organisation has a strong induction programme	3.84	42	2.99	40	0.85	0.00
1	The organisation is well known internationally	3.81	43	3.48	9	0.33	0.00
49	A profit sharing scheme is available	3.78	44	2.37	65	1.41	0.00
10	Working hours are flexible	3.77	45	3.14	27	0.63	0.00
8	The organisation is perceived to be environmentally responsible	3.75	46	3.01	38	0.75	0.00
19	There are a number of people reporting to me	3.73	47	3.46	10	0.26	0.00
60	Maternity and paternity leave are available	3.65	48	3.71	4	-0.06	0.72
50	A share option scheme is available	3.65	49	2.49	61	1.16	0.00
15	There is continuous change in the workplace	3.60	50	3.09	29	0.51	0.00
32	The organisation has visible and effective Affirmative Action programmes	3.59	51	3.23	23	0.36	0.00
46	Personalised remuneration packages are available	3.59	52	2.37	64	1.21	0.00
59	Family responsibility leave is available	3.57	53	3.36	13	0.20	0.06
56	A housing scheme is available	3.52	54	2.64	57	0.88	0.00
61	Personal counseling services are available	3.51	55	2.89	50	0.62	0.00
55	A life insurance scheme is available	3.49	56	2.78	53	0.71	0.00
28	The organisation offers global career opportunities	3.46	57	2.27	69	1.19	0.00
68	The organisation has a flat structure	3.33	58	2.72	55	0.61	0.00
47	The organisation offers sign-on bonuses for employees with special skills	3.30	59	2.18	72	1.12	0.00
64	Financial planning advice is available	3.23	60	2.19	71	1.04	0.00
57	A child care scheme is available	3.22	61	2.36	66	0.86	0.00
54	A car scheme is available	3.22	62	2.59	60	0.63	0.00
51	A short term insurance scheme is available	3.19	63	2.39	63	0.79	0.00
16	My job is largely of a project nature	3.12	64	2.97	42	0.14	0.01
63	There are opportunities for social networking	3.07	65	2.90	48	0.17	0.01
65	Staff have access to fitness centres at work	3.06	66	2.16	73	0.90	0.00
12	My job requires working out of the office regularly	2.98	67	3.20	25	-0.22	0.02
35	Status symbols are important	2.88	68	2.96	43	-0.08	0.33
58	An elder care scheme is available	2.85	69	2.25	70	0.60	0.00

43	Dress at work is informal	2.60	70	2.89	49	-0.29	0.01
14	My job involves extensive travel in South Africa	2.38	71	2.43	62	-0.05	0.68
13	My job involves extensive international travel	2.29	72	2.28	68	0.01	0.40
11	Staff can work from home	2.24	73	2.28	67	-0.04	0.71

Table 8 indicates the mean scores for both the importance and delivery issues. The issues were ranked in order of importance. Reading across the table it is possible to identify the important issues that have low delivery scores. It is evident that the top 21 issues in the table all have mean scores higher than 4.12, which was a 'very important' position on the revised scale. In other words, those issues all resulted in mean scores between 'very important' and 'critically important'.

Of those issues, three resulted in mean delivery scores below 2.95, and 15 resulted in mean scores below 3.65. The majority of the issues ranked most important by the respondents, were rated as below 'fully meets expectations' and three were below the position of 'meets expectations' on the revised scale.

A number of differences became evident between what individuals perceived to be important and organisational delivery perceptions. The following issues are noted in order of importance in the delivery gap tests:

'very important' issues were noted as:

The customer-driven nature of the organisation elevates the importance of issue 38 in terms of individuals' perceptions. However in terms of organisational delivery, it was ranked 8th. Value of people in terms of delivery was ranked at 46; far lower than perceptions regarding issue 33, which was ranked at 6th. Good working relationships between staff and superiors was ranked 8th, which was perceived as being important by the individual managers, whereas managers' perceptions of organisational delivery capacity ranked at 31, was lower under issue 66. Issue 25, which involved career advancement opportunities, was valued at 11, slighter higher by the individual managers than the organisational perceptual ability to deliver, which was ranked at 34. Similarly, individual managers ranked visible leadership at 12, which was much higher than the organisational ability to deliver, which was ranked at 26 under issue 41. The organisation which was ranked first in terms of being well known in South Africa under Issue 2, and in terms of organisational delivery, did not enjoy the same status as perceived by individual managers, hence it was ranked at 13. The aspect of the organisation valuing and promoting team work was perceived to be much more important by the individual managers who ranked it 15th, compared with what the organisation perceived to be delivering which was ranked 33rd (issue 34). On the issue of fairness and merit-based promotions (issue 30), individual managers believed that the organisation was not delivering as they had expected and ranked this 54th; whereas individual managers ranked this issue slightly higher, at 16. The issue of regular feedback (issue 71) was perceived as being more important by the individual managers, at a ranking of 17, than the perceived organisational ability to deliver, at a ranking of 22. The organisation's offer of a market

related salary was ranked 19th in terms of the individual managers' perceptions . The fact that the company had a monopoly of the market did not seem to change the individual managers' perceptions of the company's ability to deliver as this was ranked at 41 (issue 44).

'important issues' were noted as:

The organisation's valuing of diversity (issue 31) ranked higher at 25 in terms of its importance by individual managers, than the individual expectations of organisational delivery, which was ranked at 44. Individual managers ranked the organisational mentoring and coaching at 29 in terms of its importance, which was far lower than the perceived organisational ability to deliver, which was ranked at 52 (issue 40). Both issues 69 and 39, which included innovative rewards and the celebration of individual and team success were ranked at 32 and 33 respectively. These were perceived by the individual managers to be much more important than the organisational ability to deliver which were ranked at 58 and 56 respectively.

'not very important' issues comprised of the following aspects:

Issue 12, which required individual managers to work out of the office regularly, was ranked 67th by the individual managers in terms of its importance. This was far lower than the organisational perception to deliver, which was ranked at 25. There were marginal differences in terms of individuals' perceptions of importance and the organisational ability to deliver on the rest of the issues

Finally, most of the factors that covered financial and non-financial benefits were ranked as being more or less equally important by the individual managers and the organisational delivery ability.

5.1.2 Factor Analysis Results

An Eigen-value report (See Appendix 3) indicated that an optimal solution was likely to have a maximum of 18 factors based on the rule that all dimensions with an Eigen-value greater than 1 could be considered to make a contribution greater than an average dimension. Sixteen, 17 and 18 factor solutions, however, had Eigen-values only marginally greater than 1, and it was felt that a more interpretable solution would have fewer than 16 dimensions. Solutions of between 7 and 15 factors were generated and tested for interpretability.

An eleven-factor solution was found to be amongst the most stable and interpretable, and was chosen for interpretation. This solution incorporated approximately 65% of the variance in the data. Statements with a loading (or correlation) greater than 0.4 on each factor were included in the interpretation of the factor, though for factors with numerous such statements, less weight was attached to those with lower factor loadings. In one instance, two additional statements were included in the interpretation of a factor with only one statement loading higher than 0.4 on it. In each case, the Cronbach Alpha (measure of reliability of the factor) was computed, and the results are recorded in Table 9.

Table 9:Statements that load onto factors, and corresponding reliability scores.

Factor name	Statements	Cronbach Alpha
1: Employer of choice	33, 31, 30, 29, 39,37, 40, 34, 26, 15, 24, 41, 9, 38, 8, 25, 45, 70	0.93
2: Life insurance	55, 11	0.54
3: Social benefits – short tenure employees	60, 61, 59, 64, 42, 66, 63, 32, 56, 62, 57	0.88
4: Social benefits – long tenure employees	53, 67, 52, 72	0.77
5: New economy	21, 20, 22, 19, 18, 17	0.79
6: Credible reputation	1, 6, 2, 7, 4, 8	0.79
7: Financial benefits	48, 54, 46, 35, 50, 49, 44, 51, 56	0.88
8: Social support	62, 5	0.41
9: Local and international travel and organisational flexibility	14, 13, 12, 11, 16	0.76
10: Dyamic/response output orientated organisation	68, 71, 63, 17	0.69
11: Career Opportunities	27, 47, 23, 26, 57, 25, 65, 45, 58, 51	0.88

Only three of the Cronbach Alpha values were considerably below 0.8; namely Factors 2, 8 and 10. In the case of both factors 2 and 8 it was possible to eliminate the second issue loading onto the factor. In both cases the difference between the factor loadings of the first and second issues was considerable. It is possible to explain the emergence of issues 55 and 62 in terms of the recent history of the company. The life insurance scheme was recently the topic of much debate in the company because of the change in the risk benefit, which was then underwritten by a different financial institution. This risk benefit, which was inclusive of the death and disability cover, enjoyed much higher covers than the previous scheme. In some instances it necessitated a medical examination, depending on the actual amount of the cover.

The vacation leave issue was specifically relevant to those Sun International employees who were expatriates, some of whom were operating far from their homes and families.

The Cronbach Alpha for factor 10 (at 0.69) was not particularly low, and was included in the solution as it was. In all, the factor solution chosen appeared to be both stable and interpretable. Interpretations of the 11 factors follow.

Factors 1:Employer of choice

The broader classification of this factor was categorised under ‘employer of choice’. The attraction factor pertained to how well the organisation valued its people and supported its employees, thereby enhancing their performance. In the current South African

situation, individual managerial employees were likely to want to join an organisation that promoted diversity. Managerial employees believed that promotional opportunities should be fair, and that being associated with such an organisation enhanced their professional image. They believed that the organisation should recognise good performance according to regular performance feedback, which was relevant to pay and career advancement purposes. Concomitant to this was the responsibility within the organisation to mentor and coach managerial employees in terms of performance gaps, which would subsequently lay the foundation for individual development opportunities. As the organisation was constantly undergoing change, managerial employees believed that strong leadership, job security, effective relationships at work and teamwork were attraction factors. As a major casino owner in the country, Sun International offered quality products and services, and client satisfaction including environmental responsibility. These were considered to be essential in attracting the type of managerial employees that the organisation currently had.

Factor 2:Life Insurance

Managerial employees believed that having adequate life insurance cover was important, especially since Sun International recently changed the underwriters of their risk benefits

from Old Mutual to Metropolitan Life, which significantly increased their death and disability covers.

Factor 3: Social Benefits: Short-Tenure Employees

The issue of social benefits had a marginally stronger response than the financial one. Whilst some of the benefits were legislated, managerial employees nevertheless felt that maternity and paternity leave, including family responsibility leave, was an important attraction factor. Other areas included personal counselling and being provided with financial planning advice. These types of benefits would appeal to the younger generation of managers who would be more attracted to these types of benefits than to long-term benefits such as retirement schemes. Managerial employees believed that a solid induction programme provided them with good working relationships and social networking opportunities. There was a feeling among the respondents that in cases where people in the organisation had to operate in remote areas, benefits should be provided such as housing schemes, child care schemes and adequate leave. The issue of affirmative action was perceived as an enhancer of black managerial employees' careers, and as such was an attraction factor for that group.

Factor 4:Social benefits: Long-Tenure Employees

This factor appealed more to managerial employees with considerable experience in the organisation and who did not necessarily want to leave the organisation. Hence, an

effective retirement scheme and medical aid benefits tended to be retention factors for this group. Managerial employees believed that a supportive environment rendered the organisation a 'fun' one to work for. This in turn stimulated the growth and development of individuals.

Factor 5: New economy

Individual managerial employees believed that what attracted them to Sun International was the availability of leading edge technology and it being a 'high tech' organisation. Flexibility, innovativeness and adequate resources were some of the attraction and retention statements under this factor. Sun International was the only casino in the world to introduce a coinless system for the slot machines. Managerial employees were attracted to a creative environment in which they were empowered to work and had the necessary resources to perform. The structure of the organisation provided ample opportunities for promotion, growth and career advancement.

Factor 6: International and national credibility

The issue of a credible reputation was important in the attraction of managerial employees, who preferred to be associated with an internationally and nationally well known and well respected organisation with global connections. This was linked to the organisational culture of being both entrepreneurial and socially and environmentally responsible.

Factor 7: Financial benefits

Although financial benefits were not ranked highest as attraction factors to the organisation, they were still important, particularly as a retention factor. Managerial employees were strongly attracted by financial benefits such as fair compensation, car scheme, and personalised remuneration, as well as status symbols such as a large office, share options, profit sharing, market related salary, short term insurance and housing scheme. Managerial employees believed in the value of working for an organisation that offered a competitive remuneration package for valuable and ambitious managers. The issue of pays, it was thought, should be competitive in relation to the market, and should be performance based.

Factor 8: Social support

A few issues were dealt with under this response. The benefits mentioned, such as adequate vacation leave and a financially secure organisation could best be placed under social support. This was largely because a significant number of managerial employees were expatriates who needed adequate vacation leave to visit their families overseas. Linked to this was the financial means to visit family overseas for social support purposes.

Factor 9: Local and international travel and organisational flexibility

Some managerial employees expressed a preference to working for a flexible organisation in a job that would involve various modes of work. Some opted for

extensive travel in South Africa and internationally, some for fieldwork, some to working from home, and for others project work would be an attraction and retention factor.

Factor 10: Dynamic / response output orientated organisation

Some managerial employees regarded the issue of working for a dynamic/response output orientated organisation as being both an attraction and retention factor. This related to issues such as a creative working environment, social networking opportunities, and performance-orientation. Opportunities for social networking were seen as allowing employees to be creative.

Factor 11: Career opportunities

Managerial employees believed that there should be personal development opportunities, career opportunities and financed studies to support their careers. Younger managerial employees often considered available career opportunities to be a decisive factor in whether or not to remain in an organisation.

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Most of the responses under this section were fairly positive and forward thinking, which was indicative of the fact that managerial employees wanted the organisation to develop appropriate human resources strategies in response to all the factors.

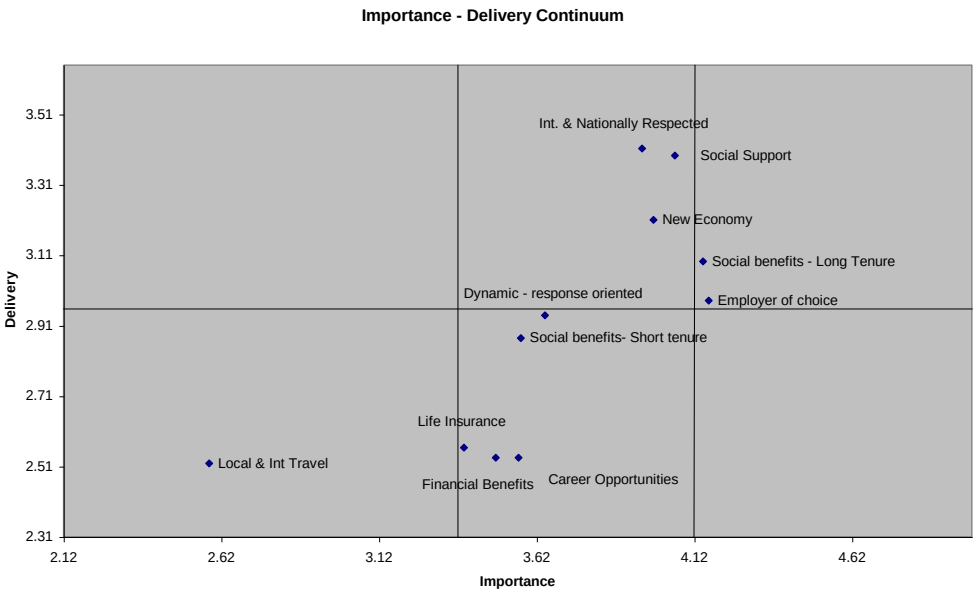
Mean scores on the importance and delivery scales were calculated in order to illustrate the relative importance of the factors and the biggest delivery gaps.

Table 10: Importance and delivery rankings of factors

	Factor	Importance	Rank	Delivery	Rank
1	Employer of choice	4.17	1	2.98	5
4	Social Benefits - Long tenure	4.15	2	3.09	4
8	Social Support	4.06	3	3.39	2
5	New Economy	3.99	4	3.21	3
6	Internationally and nationally respected	3.95	5	3.41	1
10	Dynamic / response output oriented	3.65	6	2.94	6
3	Social Benefits - short tenure	3.57	7	2.87	7
11	Career opportunities	3.56	8	2.54	9
7	Financial Benefits	3.49	9	2.53	10
2	Life insurance	3.39	10	2.56	8
9	Local and international travel	2.58	11	2.52	11

In conclusion, the most important chasm in terms of the importance-delivery tests was in the area of employer of choice. Managerial employees were attracted to an organisation that valued its people and supported employees, thereby enabling them to perform. Given the current South African situation, individual managerial employees would be likely to want to join an organisation that promoted diversity. Managerial employees believed that promotional opportunities must be fair, and that being associated with such an organisation enhanced their professional image. They believed that their organisation should recognise superior performance according to regular performance feedback, which was important for pay and career advancement purposes.

Table 11: Importance Delivery Continuum



It is quite evident from the above grid that the three issues that stand out, pertained to social support, social benefits and employer of choice. On the other hand, the issue pertaining to local and international travel did not seem to be accorded much significance, both in terms of its importance as well as organisational delivery.

5.1.3 Sub-group testing

Summaries of the multiple-group testing are discussed under the headings of the demographic groups.

5.1.3.1: Education

Factor	Test	Prob		Means				
				Matric	Diploma	Degree	Honours	Masters / Phd
1	K-W	0.072		4.00	4.29	4.16	4.28	3.98
2	ANOVA	0.157		3.37	3.32	3.42	3.82	3.53
3	K-W	0.033		3.53	3.66	3.49	3.76	3.04
4	K-W	0.145		4.04	4.21	4.14	4.44	4.03
5	ANOVA	0.601		3.87	4.11	3.93	4.02	3.82
6	ANOVA	0.211		3.84	4.05	3.88	3.91	4.09
7	ANOVA	0.080		3.16	3.67	3.59	3.62	3.53
8	K-W	0.857		3.99	4.16	3.98	4.07	3.82
9	ANOVA	0.807		2.44	2.72	2.47	2.61	2.44
10	K-W	0.010		3.44	3.76	3.66	3.85	3.67
11	K-W	0.031		3.44	3.75	3.37	3.51	3.20

All testing is done at a 5% level of significance, and probability levels less than 0.05 indicate that the means or medians of the sub-groups are statistically significantly different. These probability levels are highlighted in red.

Under factor 10, the issue encompassed local and international travel and organisational flexibility. Individual managers with an honours degree seemed to be more attracted to an organisation that offered flexible work arrangements than the other educational groupings. This might be because of the intellectual capacity of such a grouping, who do not necessarily want to be tied down in terms of structured jobs and enjoy the exposure that local and international travel provides.

Career opportunities, which are stated under factor 11, seemed to be more attractive to managers with a Diploma qualification than the other groupings under this category.

This may be largely because such managers, by virtue of their limited educational qualifications, believe that there must be personal development and career opportunities and financed studies to support their career growth prospects.

5.1.3.2 Division

Factor	Test	Prob	Means										
			Mixed	Morula	Sun City	Head Office	Thaba-Nchu	Lesotho	Zimbali	Wild Coast	Fish River	Board Walk	Ex-SA
1	K-W	0.136	4.22	4.37	4.46	4.03	4.23	3.89	4.04	4.34	4.02	4.08	4.27
2	K-W	0.296	3.21	3.61	3.51	3.55	2.79	3.38	3.12	2.57	3.69	3.91	4.12
3	K-W	0.365	3.49	3.51	3.92	3.47	3.31	3.64	3.05	3.60	3.82	3.53	3.98
4	K-W	0.371	4.19	4.24	4.43	4.03	4.13	4.13	3.77	4.03	4.10	4.31	4.40
5	YX	0.182	3.99	4.24	4.12	4.08	4.04	3.91	3.88	4.00	3.62	3.92	3.96
6	ANOVA	0.087	4.15	3.88	4.25	3.83	4.01	4.02	4.12	3.99	3.66	3.70	3.78
7	ANOVA	0.483	3.63	4.01	3.86	3.43	3.37	3.25	2.10	3.47	3.58	3.57	3.86
8	K-W	0.296	4.06	4.01	4.35	3.98	3.97	3.98	3.98	4.12	4.18	3.91	4.12
9	ANOVA	0.059	2.44	3.10	3.19	2.39	2.66	2.50	2.14	2.87	2.17	2.45	2.73
10	K-W	0.002	3.91	3.67	3.95	3.66	3.59	3.54	3.38	3.37	3.32	3.49	3.96
11	ANOVA	0.016	3.52	3.69	4.02	3.31	3.61	3.51	3.00	3.92	3.77	3.00	3.96

Under factor 10, the issue encompassed local and international travel and organisational flexibility. Individual managers from neighbouring territories (Non-SISA Units), by virtue of originating from South African units seemed to be attracted by the prospects of local and international travel including flexible work arrangements, hence their relocation to non-South African divisions.

Career opportunities, which are stated under factor 11, seemed to be more attractive to managers from Sun City than the other groupings.

This may be attributed to the fact that Sun City employs a lot of foreigners, who for obvious reasons would only be attracted to come to South Africa if their prospects would be enhanced.

5.1.3.3 Grade

Question	Test	Prob		Means			
	Yrs			Junior	Middle	Senior	Top
1	XX	0.139		4.29	4.10	4.26	4.01
2	K-W	0.182		3.18	3.56	3.27	3.37
3	K-W	0.083		3.78	3.59	3.44	3.59
4	K-W	0.748		4.04	4.17	4.14	4.24
5	ANOVA	0.050		3.75	3.97	4.11	4.07
6	ANOVA	0.899		3.99	3.97	3.86	4.07
7	ANOVA	0.209		3.29	3.43	3.62	3.63
8	XX	0.003		4.02	4.19	3.93	3.96
9	ANOVA	0.665		2.63	2.50	2.68	2.53
10	XX	0.202		3.50	3.65	3.69	3.77
11	K-W	0.000		3.82	3.51	3.65	3.19

Factor 5 encompassed the new economy. The leading edge technology and the fact that it had a high tech environment attracted senior managers. As decision-makers within the organisation that has been a leader in its field, they wanted to have an opportunity of sampling with new technological developments, which would provide the organisation with the competitive edge over its rivals.

Factor 8 encompassed social support especially among the middle managers. This is the group that is mostly positioned between senior managers and the workers (Most of them are an expatriate group) as a result they need adequate vacation leave and the financial security in order to be able to visit their families overseas for social support purposes.

Factor 11 encompassed career opportunities especially among the junior managers. This was the group that was still developing their careers and would want all the development opportunities that the organisation can offer.

5.1.3.4 Sun International Experience

Question	Test	Prob		Means				
	Yrs			<3 yrs	4-6 yrs	6-10 yrs	11-15 yrs	>15 yrs
1	K-W	0.001		4.20	4.35	4.16	4.04	4.10
2	K-W	0.184		3.44	3.43	3.43	3.54	3.03
3	K-W	0.317		3.53	3.76	3.73	3.51	3.32
4	XX	0.811		4.17	4.31	4.16	3.99	4.15
5	ANOVA	0.646		3.91	4.06	3.97	4.01	4.02
6	ANOVA	0.762		4.01	3.99	3.98	3.87	3.93
7	ANOVA	0.215		3.35	3.74	3.43	3.50	3.47
8	K-W	0.438		4.12	3.96	4.11	4.08	3.98
9	ANOVA	0.952		2.48	2.45	2.59	2.68	2.71
10	K-W	0.018		3.77	3.92	3.67	3.43	3.46
11	K-W	0.745		3.62	3.73	3.53	3.57	3.33

Similarly under factor 1, employees with less than three years experience, tended to perceive the employer of choice factors as being important in attracting, developing and eventually retaining them. As managers trying to advance their careers in their early years, they will feel comfortable in an organisation that values and supports them, thereby enabling them to thrive in their positions.

Under factor 10, the issue encompassed local and international travel and organisational flexibility. Managers, who were still new with the organisation, may have been attracted by the prospects of local and international travel largely because of the novelty factor.

5.1.3.5 Total experience

Question	Test	Prob		Means				
				<6 yrs	6-10 yrs	11-15 yrs	16-25 yrs	>25 yrs
1	K-W	0.002		4.40	4.32	4.02	4.18	4.02
2	K-W	0.217		3.28	3.66	3.30	3.68	2.84
3	K-W	0.442		3.69	3.92	3.54	3.56	3.28
4	K-W	0.194		4.34	4.36	4.01	4.12	4.09
5	ANOVA	0.261		3.92	3.94	3.93	4.07	4.03
6	ANOVA	0.977		4.05	3.90	3.92	4.00	3.84
7	ANOVA	0.951		3.61	3.68	3.30	3.55	3.40
8	K-W	0.400		4.12	3.98	3.96	4.15	4.02
9	ANOVA	0.649		2.75	2.60	2.50	2.51	2.66
10	K-W	0.409		3.80	3.83	3.65	3.68	3.31
11	K-W	0.004		3.84	3.84	3.46	3.58	3.22

Factor 1 encompassed the employer of choice. The same perceptions as per figure 5.1.5.4 prevailed for employees with less than 3 years total experience. This may be largely because most new recruits were much more qualified than their existing peers and were much more discerning in the choice of the organisation that they wanted to join.

Factor 11 encompassed career opportunities especially among managers who were still relatively new to the world of work. This is the group that was still developing their careers and would want all the development opportunities that the organisation can offer.

5.1.3.6 Race

Question	Test	Prob		Black	White
1	A-W	0.122		4.16	4.17
2	MWU	0.749		3.71	3.26
3	KS	0.038		3.76	3.49
4	MWU	0.620		4.09	4.17
5	T-Test	0.063		3.91	4.02
6	MWU	0.175		4.02	3.93
7	T-Test	0.317		3.50	3.49
8	MWU	0.116		4.04	4.07
9	MWU	0.037		2.72	2.52
10	KS	0.027		3.59	3.67
11	KS	0.001		3.77	3.48

Factor 3 encompassed social benefits, which were regarded as being significantly important by black employees, largely because of the political and psychological exclusion of the past.

Factor 9 encompassed local and international travel and organisational flexibility, which appealed significantly more to black managers than to their white peers. Most of the reasoning by black managers may have been largely political. Because the previous status quo rendered them immobile, they thus became reluctant to relocate when positions availed themselves.

Factor 10 encompassed the dynamic/ response output orientated organisation. Once again this factor appealed more to black managers because of the high need to affiliate and being allowed to be creative in their jobs.

Factor 11 encompassed career opportunities especially among the black managers. This was the group that was still developing their career and would want all the development opportunities that the organisation can offer especially in light of both the Employment Equity Act, No 55 of 1998 and the Skills Development Act, Act No 97 of 1998.

5.1.3.7 Age

Question	Test	Prob		Means			
				20-29	30-39	40-49	>50
1	K-W	0.004		4.27	4.24	4.08	3.88
2	K-W	0.417		3.25	3.62	3.25	2.94
3	K-W	0.285		3.57	3.75	3.35	3.39
4	K-W	0.503		4.22	4.15	4.11	4.16
5	ANOVA	0.272		3.84	4.05	4.00	3.91
6	ANOVA	0.900		3.95	4.04	3.86	3.87
7	ANOVA	0.206		3.41	3.61	3.42	3.27
8	K-W	0.639		4.17	4.10	3.90	4.20
9	YX	0.326		2.82	2.47	2.67	2.47
10	XX	0.282		3.79	3.77	3.50	3.30
11	XX	0.845		3.66	3.70	3.43	3.14

Factor 1 encompassed the employer of choice. Younger employees between 20 – 29 were much more discerning in their choice of the organisation that they wanted to join, largely because older employees may battle to find attractive jobs and may stay in one organisation even if they were unhappy.

5.1.3.8 Gender

Question	Test	Prob		Female	Male
1	KS	0.877		4.11	4.20
2	T-Test	0.691		3.33	3.43
3	T-Test	0.854		3.55	3.58
4	MWU	0.914		4.15	4.15
5	T-Test	0.301		3.91	4.05
6	T-Test	0.392		3.90	3.99
7	T-Test	0.754		3.51	3.48
8	MWU	0.833		4.13	4.01
9	T-Test	0.429		2.50	2.63
10	MWU	0.768		3.57	3.70
11	MWU	0.243		3.52	3.59

There were no significant differences between the sexes for any of the factors.

CHAPTER 6

6. Delineation of Results

This chapter serves to interpret the main findings of the research and will provide a summary of the findings in relation to the three propositions.

Three propositions were advanced with regard to the attraction, development and retention of managerial talent. These posited the view that there were a number of factors that influenced the attraction, development and retention of managerial talent. A number of factors emerged from each of the three propositions.

Proposition: 1

There are a specific set of factors that will emerge as important in the attraction, development and retention of managerial talent within Sun International. These factors are cited below.

Factors 1:Employer of choice

This factor has been cited as the most important in the attraction, development and retention of managerial employees. The latter are attracted by how well the organisation valued its people and supported its employees. Managerial employees attribute this type of culture as being primarily responsible for enhancing their performance. The Employment Equity Act, No 55 of 1998 made the diversity culture inculcated by the organisation an attraction factor for individual managerial employees, who more than likely, would want to join an organisation that promoted diversity. By making

promotional opportunities to be fair, the organisation was contributing to the enhancement of their professional image. The fact that the organisation recognised good performance through regular performance feedback made the issue of pay and career advancement relevant (Wagner, 2000; Herman & Gioa, 2000; Kaye & Jordan-Evans, 1999). Mentoring and coaching managerial employees in terms of their performance gaps assured the organisation of laying the foundation for individual development (Johnson, 1999). Managerial employees perceived strong leadership, job security, effective relationships at work and teamwork in a dynamic changing world as attraction factors (Herman & Gioa, 2000; Kaye & Jordan-Evans, 1999). As a major casino owner in the country, Sun International offered quality products and services, and client satisfaction including environmental responsibility. These factors played a crucial role in enhancing the organisation's dominant position in the market place.

Factor 2:Life Insurance

This factor, although on the face of it may appear insignificant, has been regarded as a retention factor especially among the existing employees. By offering managerial employees adequate life insurance cover (Especially since Sun International changed the underwriters of their risk benefits from Old Mutual to Metropolitan Life, which significantly increased their death and disability covers) , the organisation is assured of attracting and retaining them (Herman & Gioa, 2000; Kaye & Jordan-Evans, 1999).

Factor 3: Social Benefits: Short-Tenure Employees

Social benefits have had a marginally stronger response than the financial one among managerial employees. It is a well documented argument that money is not necessarily a major motivational factor (ASTD, 2000). Whilst some of the benefits were legislated, managerial employees nevertheless felt that maternity and paternity leave, including family responsibility leave, were an important attraction factor. Organisations should not underestimate the value attached to these benefits by managerial employees. By being provided with personal counseling and financial planning advice, managerial employees attached a non-monetary value to these benefits. These types of benefits appealed more to the younger generation of managers who are in the family-starting category than the long-term benefits such as retirement schemes (Herman & Gioa, 2000). Proper induction programmes attract managerial employees at the stage of entry into the organisation including good working relationships and social networking opportunities (Herman, 1999; Kaye & Jordan-Evans, 2000). Where the organisation had divisions in remote areas, benefits were provided such as a housing schemes, child-care schemes and adequate leave (Herman & Gioa, 2000; Kaye & Jordan-Evans, 1999). The issue of affirmative action was perceived as enhancing black managerial employees' careers, and as such was an attraction factor for that group.

Factor 4:Social benefits: Long-Tenure Employees

Managerial employees with considerable experience in the organisation and who did not necessarily want to leave the organisation were attracted more by these social benefits.

Consequently, an effective retirement scheme and medical aid benefits tended to be retention factors for this group. Managerial employees needed a supportive environment which was a 'fun' one to work in (Herman & Gioa, 2000; Planting, 5 May, 2000; Kaye & Jordan-Evans, 1999).

Factor 5: New economy

Leading edge technology and a 'high tech' organisation were what attracted and retained managerial employees especially those at senior managerial levels. This innovative culture has contributed in making Sun International the only casino in the world to introduce a coinless system for the slot machines. A creative environment in which managerial employees were empowered to work and had the necessary resources to perform resulted in their being attracted and retained by the organisation (Hanay & Northam 2000; Kaye & Jordan-Evans, 1999). The structure of the organisation provided ample opportunities for their promotion, growth and career advancement opportunities (Johnson, 1999; Kaye & Jordan-Evans, 1999). Flexibility, innovativeness and adequate resources also played a role as an attraction factor (Kaye & Jordan-Evans, 1999)

Factor 6: International and national credibility

An organisation with a credible reputation was regarded as an important attraction factor of managerial employees, who preferred to be associated with an internationally and nationally well-known and well respected company with global connections (Bennet, 2000). This was also linked to the organisational culture of being both entrepreneurial

and socially and environmentally responsible (Kaye & Jordan-Evans, 1999).

Factor 7: Financial benefits

Although financial benefits were not ranked highest as attraction factors to the organisation, they were still as important, particularly as a retention factor among managerial employees (ASTD, 2000). Managerial employees were strongly attracted by financial benefits such as fair compensation, car scheme, and personalised remuneration, as well as status symbols such as a large office, share options, profit sharing, market related salary, short term insurance and housing scheme (Herman & Gioia, 2000; Kaye & Jordan-Evans, 1999, Herman, 1999). Managerial employees wanted to work for an organisation that offered a competitive remuneration package for valuable and ambitious managers. The issue of pay, it was thought, should be competitive in relation to the market and performance based (Kaye & Jordan-Evans, 1999; Herman & Gioia, 2000).

Factor 8: Social support

An adequate vacation leave and a financially secure organisation was what attracted some of the managerial employees under social support (Kaye & Jordan-Evans, 1999). This was largely because a significant number of managerial employees were expatriates who needed adequate vacation leave to visit their families overseas.

Linked to this, was the financial means to visit family overseas for social support purposes.

Factor 9: Local and international travel and organisational flexibility

Some managerial employees expressed a preference to working for a flexible organisation in a job that would involve various modes of work (Herman, 1999). Some opted for extensive travel in South Africa and internationally, some for fieldwork, some to working from home, and for others project work would be an attraction and retention factor. This type of approach was largely directed at catering for the diversity of managerial skills that existed within the organisation and was an attraction factor.

Factor 10: Dynamic / response output orientated organisation

Some managerial employees regarded the issue of working for a dynamic/response output orientated organisation as an attraction and retention factor. This related to issues such as a creative working environment, social networking opportunities, and performance-orientation. Opportunities for social networking were thought of by managerial employees as allowing employees to be creative (Kaye & Jordan-Evans, 1999, Herman, 1999).

Factor 11: Career opportunities

Personal development opportunities, career opportunities and financed studies to support their careers were among the attraction and retention factors stated by managerial employees. (Beeson, 1998; Kaye & Jordan-Evans, 1999; Wagner, 2000). Younger managerial employees often considered available career opportunities to be a decisive

factor in whether or not to remain in an organisation. This may be attributed to the fact that they do not necessarily want to be tied down to one organisation where the prospects of growth are not clearly spelt out.

Other issues mentioned regarding this factor concerned financial and non-financial benefits, and issues such as, sign-on bonuses, a child care scheme, a fitness centre, performance based salary, elder care scheme and short term insurance (ASTD, 2000; Herman, 1999, Johnson 1998; Herman & Gioia, 2000). However, not all these benefits may be relevant to a South Africa organisation although the need for retention strategy benchmarks may be a necessary tool as an employer of choice.

In conclusion, the research conducted supports the proposition that there are specific set of factors that will emerge as important in the attraction, development and retention of managerial talent within Sun International.

Proposition: 2

The factors that will attract, develop and retain managerial talent will differ in respect of race, gender, age, level in the organisation, qualifications and level of experience.

6.2.1: Education

Individual managers with an honours degree seemed to be more attracted to an

organisation that offered flexible work arrangements than the other educational groupings (Carolyn, 2000; Kaye & Jordan-Evans, 1999; Johnson, 1998). This could be because of the intellectual capacity of such a grouping, who did not necessarily want to be tied down in terms of, structured jobs and enjoyed the exposure that local and international travel provides.

Managers with a Diploma qualification seemed to be attracted to pursuing their career opportunities than the other groupings. This may be because such managers, by virtue of their limited educational qualifications, believed that there should be personal development and career opportunities and financed studies to support their career growth prospects (Breuer, 2000; Herman & Gioia, 2000, Kaye & Jordan-Evans).

6.2.2: Division

Individual managers from neighbouring territories (Non-SISA Units), by virtue of originating from South African units, seemed to be attracted by the prospects of local and international travel including flexible work arrangements, hence their relocation to non-South African divisions (Kaye & Jordan-Evan; Herman & Gioia, 2000).

Career opportunities, seemed to be more attractive to managers from Sun City than the other groupings. This may be attributed to the fact that Sun City employed a lot of foreigners, who for obvious reasons would only be attracted to come to South Africa if their career prospects would be enhanced (Breuer, 2000; Herman & Gioia, 2000, Kaye & Jordan-Evans).

6.2.3: Grade

The leading edge technology and the fact that it is a high tech environment (Kaye & Jordan-Evans) attracted senior managers. As decision-makers within the organisation that has been a leader in its field, they wanted to have an opportunity of sampling with new technological developments, which would provide the organisation with the competitive edge over its rivals.

Middle managers valued social support within the organisation (Herman, 1999; Kaye & Jordan-Evans, 2000). This is the group that was mostly positioned between senior managers and the workers. (Most of them are an expatriate group) As a result they needed adequate vacation leave and the financial security in order to be able to visit their families overseas for social support purposes.

Career opportunities among the junior managers were an attraction factor (Breuer, 2000; Herman & Gioia, 2000, Kaye & Jordan-Evans). This is the group that was still developing their careers and would want all the development opportunities that the organisation can offer.

6.2.4: Sun International experience

Employees with less than three years experience tended to perceive the employer of choice factors (Herman, 1999; Herman & Gioia, 2000, Kaye & Jordan-Evans) as being

important in attracting, developing and eventually retaining them. As managers trying to advance their careers in their early years, they felt comfortable in an organisation that valued and supported them, thereby enabling them to excell in their positions.

Managers, who are still new with the organisation, may be attracted by the prospects of local and international travel (Herman & Gioia, 2000, Kaye & Jordan-Evans) largely because of the novelty factor.

6.2.5: Total experience

Employees with less than 3 years total experience were attracted by the employer of choice factors (Herman, 1999; Herman & Gioia, 2000, Kaye & Jordan-Evans). This may be attributable to the fact that most new recruits were much more qualified than their existing peers and much more discerning in the choice of the organisation that they want to join.

Career opportunities (Breuer, 2000; Herman & Gioia, 2000, Kaye & Jordan-Evans) were an attraction and retention factor especially among managers who were still relatively new to the world of work. This is the group that was still developing their careers and would want all the development opportunities that the organisation could offer.

6.2.6: Race

Black employees perceived social benefits (ASTD, 2000; Johnson, 1998; Herman & Gioia, 2000) as being significantly important than the other racial groups, probably because of the political and psychological exclusion of the past.

Local and international travel and organisational flexibility (Kaye & Jordan-Evans, 2000; Herman & Gioia, 2000) appealed significantly more to black managers than their white peers. Most of the reasoning for black managers may be largely political because of being previously made immobile as well as psychological, in terms of not wanting to relocate when positions availed themselves.

Black managers were attracted to a dynamic/ response output orientated organisation (Kaye & Jordan-Evans, 2000; Herman & Gioia, 2000). Once again, this factor appealed more to them, probably because of the high need to affiliate and being allowed to be creative in their jobs, and an opportunity which they never use to have.

Black managers were attracted to career opportunities (Breuer, 2000; Herman & Gioia, 2000, Kaye & Jordan-Evans) provided by the organisation. This is the group that was still developing their careers and would want all the development opportunities that the organisation could offer especially in light of current labour legislations on equity and skills development in the workplace.

6.2.7: Age

Younger employees between 20 – 29 were much more discerning in their choice of the organisation (Herman, 1999; Herman & Gioia, 2000, Kaye & Jordan-Evans) that they wanted to join. However, this may prove contradictory in the South African situation, because of the depressed economy and the high levels of unemployment especially among the entry-level employees.

6.2.8: Gender

There were no significant differences between the sexes for any of the factors.

In conclusion, the research conducted does not support the proposition that the factors that will attract, develop and retain managerial talent will differ in respect of race, gender, age, level in the organisation, qualifications and level of experience. These demographic differences bear limited resemblance to the factors that will attract, develop and retain managerial talent

Proposition: 3

There were perceived differences between organisational delivery and what was considered to be important by managerial staff. This proposition was supported by the following research findings.

Although the organisation was highly customer-driven, individual managers perceived this issue slightly less than the value attached by the organisation in terms of its

importance. This could be largely because as internal employees, they were the people who experienced customer interaction first hand. Individual managers perceived the organisation as not valuing its employees in the manner that they expected. The organisation had to conduct staff surveys on a regular basis in order to assess staff motivational levels, thereby preventing unnecessary staff turnover in the process.

Good working relationships between staff and superiors were perceived as an area of improvement. This may be attributed to the popular notion that staff have about their superiors, that is, being spoken to when you have done something wrong. The organisation will need to expand the career advancement opportunities of their managerial employees in order to attract and retain them as stated in the results section. There is a need for visible leadership as mentioned by the individual managers. Regular road-shows and other communication strategies may go a long way towards ensuring the visibility of the organisation's leadership. Although the organisation was ranked first in terms of being well known in South Africa, individual managers did not perceive it in the same light. A lack of a communication strategy within the organisation may account for this. Individual managers value the promotion of teamwork within the organisation. The organisation has to create a culture conducive to the promotion of teamwork.

On the issue of fairness and merit-based promotions, individual managers believed that the organisation was not delivering to their expectations. A fair performance management system may alleviate the perception of unfairness. Individual managers needed regular

feedback in terms of their performance. This aspect may be improved by the above-stated performance management system, whereby individual goals are given to managers and their performance assessed on a regular basis. The organisation's offer of a market related salary was ranked lower by the individual managers. This was besides the fact that the company had a monopoly of the market. The organisation has to conduct regular salary surveys in order to remain competitive, attract and retain their managerial talent.

Individual managers perceived the organisation as not placing enough emphasis in terms of inculcating a diverse culture. The promulgation of the Employment Equity Act, No 55 of 1998, will necessitate a broader approach towards the development of a diverse culture. Individual managers wanted an improvement in terms of the organisation's mentoring and coaching approach. An improvement in this arena will assist in the attraction and retention of staff. An innovative rewards system and the celebration of individual and team success culture will need to be improved by the organisation in order to attract and retain managerial staff.

The respondents did not perceive the issue of requiring individual managers to work out of the office regularly as necessarily important. This issue may not need to be pursued by the organisation, certainly not in the short-term. With the other issues, marginal differences occurred in terms of individuals' perceptions of their importance and the organisational ability to deliver. Finally, the individual managers and the organisational delivery ability ranked most of the factors that covered financial and non-financial benefits more or less equally important.

Finally, although not all the propositions were supported by all the factors, there clearly was a need for the development of appropriate intervention strategies specifically directed towards the attraction, development and retention of managerial staff. Most results from the propositions were not expected largely because the organisation perceived itself as a leader in its field and as such was responsible for setting the standards in a number of human resources areas.

CHAPTER 7

7: Conclusions, implications for management and suggestions for further research

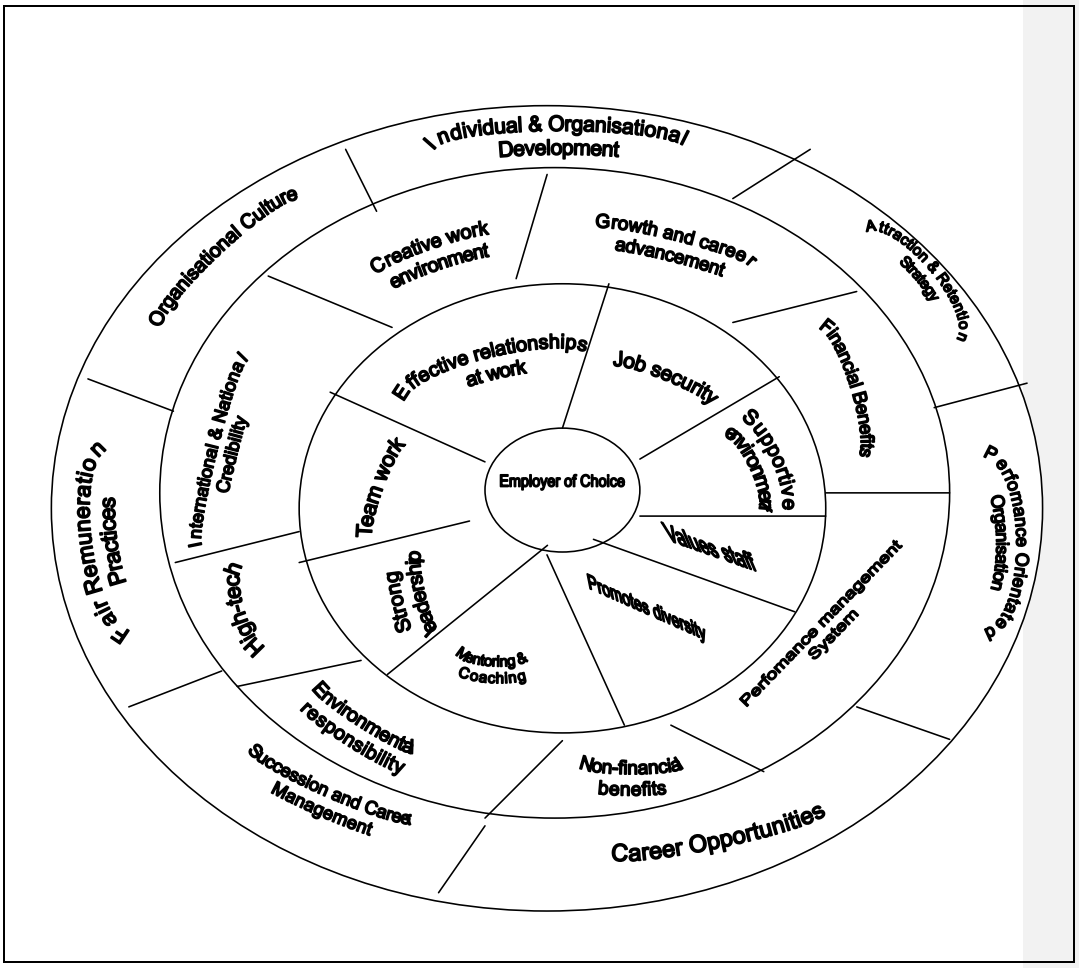
The purpose of this chapter is to draw conclusions about the three propositions and the research in general. A discussion on the managerial implications of the research as well as suggestions for further research in the field of attraction, development and retention of managerial talent will follow.

7.1: Conclusions

This research report reviewed all the relevant literature pertaining to the attraction, development and retention of managerial talent. The study significantly corroborated both propositions 1 and 3. However, in terms of proposition 2, there were no significant differences.

Table 12 below provides a practical model that organisations could utilise in attracting, developing and retaining managerial talent.

Table 12: Retention Strategy Model



It was evident from the analysis that most of the managers had an educational background, which was lower than an academic degree, hence, the difference in the issues that would attract, develop and retain them.

As already stated in the literature, these managers wanted to work for an organisation that provided a variety of personal development opportunities, career advancement and opportunities for career change. The shortage of skills and the high levels of emigration among management and skilled individuals, especially in the Casino industry, will necessitate that closer attention be directed at the above-mentioned intervention strategies.

There was also a direct correlation between the size of the division and career opportunities. The bigger divisions, by virtue of their size provided more career opportunities than the smaller ones. Furthermore, 74% of the respondents occupied middle and senior management positions. This is the group that would more likely be attracted to issues like being empowered to do their jobs, especially because they operate closer to the coalface and are more attuned to what is happening within the organisation.

Similarly young entrants into the labour market and junior managers were more attracted to the employer of choice issues and career opportunities that were being offered by the organisation. This aspect was corroborated by the relevant theories, which regarded it as the foremost reason for the attraction and retention of staff. Because there were no significant differences between the sexes, the organisation did not have to cater for the needs of the two gender groups. However, some work still needs to be done especially with regard to how black managers perceived retention issues. The Skills Development Act, No 97 of 1998 and the Employment Equity Act, No 55 of 1998 were an intervention

to try and bridge the racial divide in terms of attraction and retention issues.

It was quite evident from the relevant theory and the research conducted that managerial employees were attracted to an organisation that valued and supported them in order to enable them to perform. The topical issue of diversity came out as an attraction and retention factor, besides the legislative frameworks that exist .The issue of fair promotional opportunities and being associated with such an organisation, was seen as enhancing individual's professional image. Individual managers still needed to be mentored and coached as part of their development. These individual managers believed in strong and visible leadership, job security, and effective relationship at work and teamwork.

Most of the short-tenure managers were attracted by the social benefits that the organisation offered. These benefits would included issue like maternity and paternity leave, housing schemes, childcare schemes and adequate leave including family responsibility leave. Most of these managers were mostly new entrants both in the labour market and in the organisation. They are young adults and are at an age where they would like to start families. Further benefits include: personal counselling and being provided with financial planning advice.

On the other hand, long tenure employees were attracted to a good retirement scheme and

medical aid scheme, which would provide for their health care. They would want to work in a supportive environment, which is a fun organisation to work in, which would stimulate their career growth and development opportunities.

As the world changed in terms of technological developments, so did managers in terms of being at the leading edge of technology and operating in a high tech environment. They were attracted to a creative, flexible and less structured environment, where they were empowered and have the necessary resources to perform.

Individual managers liked being associated with an organisation with was both nationally and internationally respected. Concomitant to these attraction factors, were the issues of not only being entrepreneurial but also being socially and environmentally responsible.

The issue of financial benefits although not the primary attraction factor was still very much important. This included benefits like fair compensation, car scheme, personalised remuneration, size of the office, share options, profit sharing, market related salary, short term insurance and housing scheme, and a competitive remuneration package.

Individual managers were attracted to a financially secure organisation, which would provide them with the financial security they desired. Furthermore, these individual managers wanted to work for a flexible organisation, which would ultimately not only grow their careers but empower them as well.

Other issues that attracted managerial employees were a creative work evironment, social networking opportunities and a performance orientated organisation.

Finally, the most decisive attraction and retention factors are personal development opportunities, career opportunities and financed studies to support their careers.

7.2: Implications for management

There is a plethora of attraction factors that permeate the various layers of management. The implications for management are primarily concerned with the attraction, development and attraction of managerial talent. Whilst not all the issues mentioned in the literature may be of direct relevance to the organisation, however, there were a number of them which management has to take into cognisance as part of their attraction, development and attraction strategy.

Individual managers needed to be valued for their contributions in the organisation and not to be merely treated as part of the service machinery that only enhanced the customer's experiences. There is a need for a performance management system, which would measure their performance against the set objectives. This would ultimately ensure a fair and merit based promotion system. This approach would ensure that the organisation is performance and results driven and that individual managers' salaries were based on their performance and market forces.

The organisation has to provide for a mentoring and coaching system, which would accelerate the individual managers' development and career opportunities and at the same time allow them to be innovative and solve complex problems. By linking same with the organisation's training and development strategy, the organisation will be enabled to harness the full potential of its managers.

Individual managers wanted to be at the leading edge of technology because of the high tech nature of the organisation and as such, there would be a need to create such an environment. Innovative ideas needed to be rewarded and concomitant to this, was the celebration of individual and team success. The organisation could do this by empowering individual managers through the provision of adequate resources and budgets, which would enable them to perform in their jobs. There would be a need for career change opportunities to be available within the organisation. The human resources function should play an enabling role in order to facilitate these processes.

Financial benefits like fair compensation, a share scheme, personalised remuneration packages, housing schemes, good insurance and retirement schemes, sign on bonuses, car schemes and other social benefits, needed to be an integral part of the organisation's attraction, development and retention strategy. However, there was a need to acknowledge the fact that not all the issues mentioned in the literature may be of relevance to the organisation. On the other hand, the organisation needed to be sensitive to benchmarked attraction and retention strategies that existed in the market place and

structure their systems accordingly. Similarly, the fierce competition within the Casino industry will necessitate a more competitive remuneration strategy as a major leverage in the attraction, developing and retention of managerial staff.

Finally, there was a need for the company to value diversity because of the proliferation of the various cultures within the organisation. This is largely due to the large expatriates' base of the organisations managerial staff. Furthermore, the organisation had to conduct periodic climate surveys to ensure the operationalisation of the identified importance – delivery tests results. These have to be translated into concrete results with evidence of progress in the identified gap areas.

7.3: Suggestions for further research

Given the topical nature of this research, cognisance had to be taken of the applicability of some of the research issues, which may not necessarily be relevant in the South African environment.

However, there was a further opportunity to conduct such research among all black managers within the Casino industry. Such results would shed light in terms of attraction, development and retention factors among black managers, especially in view of the Employment Equity Act, No 55 of 1998, which required organisations to set targets for their staff compliment.

The second area, which could also be conducted within the Casino industry related to the existence of a performance management system whereby individual managers were remunerated, promoted and had their career opportunities enhanced. A comparative study of organisations that have introduced a performance management system and those that have not will shed some light in terms of attraction, development and retention factors in this area.

The third area relates to the organisations' culture that may or may not be different within the Casino industry.

The study was based on how individual managers operating in different organisational cultures perceive attraction, development and attraction issues. Linked to this study was a whole list of issues associated with the empowerment of managers.

Finally, the fourth and the last area relates to the existence of a career and succession planning system within the Casino industry in relation to the attraction, development and attraction of managerial employees. As already mentioned, this should form part of the organisation's performance management system wherein identified performance gaps are operationalised as part of the individual managers development plans.

Whilst the above topics were researched within Sun International and could shed some light in terms of attraction, development and attraction factors, however, by broadening

the scope to include all major players within the Casino industry, valuable insights may be unearthed. This aspect was very important especially in view of the fact that the industry was relatively new in South Africa and was among the fastest growing industries of the new millennium.

CHAPTER 8

8: References

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Appendix 1

Memo

To: All Managerial employees

From: Mbulelo Qodashe

CC: H.R. Director

Managing Director

Date: 15 December 2000

Re: Research on the factors affecting the attraction, development and retention of managerial talent within Sun International

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I am a Master of Management (Human Resources) student at Wits University and currently undertaking research into the factors affecting the attraction, development and retention of managerial talent within Sun International.

You have been chosen to participate on this survey. All data provided will be confidential and used for statistical purposes only. Your name will not be included in the final report.

Please return the completed questionnaire and return same to the Group Human Resources Department at Head – Office before 31 January 2000. A synopsis of the findings of the study will be available to you should you request it.

Your cooperation is appreciated.

Yours faithfully

Mbulelo Qodashe

Appendix 2

RESEARCH SURVEY

Section 1:Demographic Information

Please complete this section by marking with an X next to the appropriate box

Your highest education

Matric		Diploma		Degree		Honours degree	
Masters degree		Other		Specify Other:			

Sun International Division

Head - Office		Morula Sun		Carousel		Sun City	
Wild Coast		Carnival City		BoardWalk		Zimbali Lodge	
Table Bay		Thaba' Nchu / Naledi		Lesotho Sun		Kalahari Sands	
Swazi Royal Sun		Table Bay		Fish River Sun		Gaberone Sun	

Years of experience in your current division

< 1 year		1 – 3 years		4 – 6 years		6 – 10 years	
11 – 15 years		15 – 25 years		> 25 years			

Your total years of working experience

< 1 year		1 – 3 years		4 – 6 years		6 – 10 years	
11 – 15 years		15 – 25 years		> 25 years			

Your racial group

Asian		African		White		Coloured	

Your age

20 – 29		30 – 39		40 – 49		>50	

Gender

Female		Male	

Section 2:Factors that impact on attraction, development and retention of managerial talent

1. This section consists of two Parts. ***PART A*** **&** ***PART B.***
2. In each of ***PART A*** and ***PART B*** please indicate your response by placing an **X** for each factor in **ONE** of the five columns.
3. In ***PART A***, you need to indicate to what extent you view each factor as important in *attracting, developing* and *retaining* you within Sun International. If for example, you rate a factor as *Very Important (4*)**,** the implication is that you feel this factor is very important in *attracting, developing* and *retaining* you.

PART B requires that you indicate the extent to which your Sun International fulfills/offers the factor. If for example, you rate a factor as Partially meets expectations (3), the implication is that you feel your current organisation is partially fulfilling your expectation regarding the particular factor that attracted you to and is retaining you at the organisation.

Following is an example of how you would mark your responses in the case of the scenario described above.

PART A

Importance to you
1. Completely unimportant
2. Not very important
3. Important
4. Very important
5. Critically important

PART B

Delivery of organisation
1. Far below expectations
2. Does not meet expectations
3. Partially meets expectations
4. Fully meets expectations
5. Exceeds expectations

1	**2**	**3**	**4**	**5**	The organisation is all fun and games	**1**	**2**	**3**	**4**	**5**
			PART A					*PART B*			

Importance to you

1. Completely Unimportant
2. Not very Important
3. Important
4. Very important
5. Critically important

Delivery of organisation

1. Far below expectations
2. Does not meet expectations
3. Partially meets expectations
4. Fully meets expectations
5. Exceeds expectations

Factor Number	1	2	3	4	5	**Factors**	1	2	3	4	5
1						The organisation is well known internationally					
2						The organisation is well known in South Africa					
3						The organisation is a leader in its field					
4						The organisation is entrepreneurial					
5						The organisation is financially secure					
6						The organisation has global business connections					
7						The organisation is perceived to be socially responsible					
8						The organisation is perceived to be environmentally responsible					
9						The organisation offer products and services of a high quality					
10						Working hours are flexible					
11						Staff can work from home					
12						My job requires working out of the office regularly					
13						My job involves extensive international travel					
14						My job involves extensive travel in South Africa					
15						There is continuous change in the workplace					
16						My job is largely of a project nature					
17						My job allows me to be innovative and solve complex problems					

18						There is access to considerable budget and other resources to do my job						
19						There are a number of people reporting to me						
20						There is considerable freedom to determine my own work schedule						
21						The organisation provides access to leading edge technology						
22						The organisation is high tech in nature						
23						The organisation financially supports ongoing study						
24						The organisation provides job security						
25						The organisation provides opportunities for career advancement						
26						The organisation provides a variety of personal development opportunities						
27						Opportunities for career change within the organisation are available						
28						The organisation offers global career opportunities						
29						Staff have opportunities to build professional reputations						
30						The organisation ensures fair, merit-based promotions						
31						The organisation values diversity						
32						The organisation has visible and effective Affirmative Action programmes						
	1	**2**	**3**	**4**	**5**		**1**	**2**	**3**	**4**	**5**	

PART A *PART B*

Importance to you

1. Completely Unimportant
2. Not very Important
3. Important
4. Very important
5. Critically important

Delivery of organisation

1. Far below expectations
2. Does not meet expectations
3. Partially meets expectations
4. Fully meets expectations
5. Exceeds expectations

Factor Number	**1**	**2**	**3**	**4**	**5**	**Factors**	**1**	**2**	**3**	**4**	**5**
33						The organisation values its people					
34						The organisation values and promotes team work					
35						Status symbols are important					
36						The organisation provides globally accredited training and development					
37						Regular feedback on performance is provided					
38						The organisation places strong emphasis on client satisfaction					
39						Individual and team success are celebrated					
40						The organisation provides mentoring and coaching					
41						There is strong and visible leadership					
42						The organisation has a strong induction programme					
43						Dress at work is informal					
44						The organisation offers a market related salary					
45						A significant component of my salary is performance based					
46						Personalised remuneration packages are available					
47						The organisation offers sign-on bonuses for employees with special skills					

48						Compensation is fair						
49						A profit sharing scheme is available						
50						A share option scheme is available						
51						A short term insurance scheme is available						
52						Medical aid benefits are available						
53						A retirement scheme is available						
54						A car scheme is available						
55						A life insurance scheme is available						
56						A housing scheme is available						
57						A child care scheme is available						
58						An elder care scheme is available						
59						Family responsibility leave is available						
60						Maternity and paternity leave are available						
61						Personal counseling services are available						
62						Adequate vacation leave is available						
63						There are opportunities for social networking						
64						Financial planning advice is available						
65						Staff have access to fitness centres at work						
66						Good working relationships exist between staff and superiors						
67						There is a supportive network of colleagues and associates						
68						The organisation has a flat structure						
69						The organisation rewards innovation						
	1	**2**	**3**	**4**	**5**		**1**	**2**	**3**	**4**	**5**	

PART A *PART B*

Importance to you

1. Completely Unimportant
2. Not very Important
3. Important
4. Very important
5. Critically important

Delivery of organisation

1. Far below expectations
2. Does not meet expectations
3. Partially meets expectations
4. Fully meets expectations
5. Exceeds expectations

Factor Number	**1**	**2**	**3**	**4**	**5**	**Factors**	**1**	**2**	**3**	**4**	**5**
70						The work environment is conducive to building effective relationships					
71						The organisation is performance and results driven					
72						The organisation is fun to work for					
73						I am empowered to do my job					
	1	**2**	**3**	**4**	**5**		**1**	**2**	**3**	**4**	**5**

Section 3:Personal Comments

74. Please add anything not included in the above list that you believe would increase an organisation's ability to ***attract***, ***develop*** and ***retain*** you.

75. Please describe any significant incidents that influenced your attraction, development to the organisation and your decision to stay.

Thank you for taking the time to complete the survey!

Appendix 3

Principal Components Report: Eigenvalues

No.	Eigenvalue	Indiv %		Cum %	Scree Plot
1	21.783475	29.84	29.84	29.84	||||||
2	4.986200	6.83		36.67	||
3	3.368106	4.61		41.28	|
4	2.972918	4.07		45.36	|
5	2.760822	3.78		49.14	|
6	2.365616	3.24		52.38	|
7	2.073484	2.84		55.22	|
8	1.918162	2.63		57.85	|
9	1.840184	2.52		60.37	|
10	1.778882	2.44		62.81	|
11	1.540703	2.11		64.92	|
12	1.421872	1.95		66.86	|
13	1.390781	1.91		68.77	|
14	1.345139	1.84		70.61	|
15	1.295863	1.78		72.39	|
16	1.174543	1.61		74.00	|
17	1.150620	1.58		75.57	|
18	1.032261	1.41		76.99	|
19	0.963260	1.32		78.31	|
20	0.896919	1.23		79.53	|
21	0.866768	1.19		80.72	|
22	0.814594	1.12		81.84	|
23	0.758657	1.04		82.88	|
24	0.719362	0.99		83.86	|
25	0.682945	0.94		84.80	|
26	0.656941	0.90		85.70	|
27	0.644848	0.88		86.58	|
28	0.620914	0.85		87.43	|
29	0.596642	0.82		88.25	|
30	0.568652	0.78		89.03	|
31	0.511654	0.70		89.73	|
32	0.501180	0.69		90.42	|
33	0.469679	0.64		91.06	|
34	0.455736	0.62		91.68	|
35	0.437129	0.60		92.28	|
36	0.411924	0.56		92.85	|
37	0.393896	0.54		93.39	|
38	0.345313	0.47		93.86	|
39	0.320772	0.44		94.30	|
40	0.303057	0.42		94.71	|
41	0.286443	0.39		95.11	|
42	0.255580	0.35		95.46	|

43	0.250260	0.34	95.80	
44	0.237681	0.33	96.12	
45	0.224500	0.31	96.43	
46	0.219834	0.30	96.73	
47	0.198653	0.27	97.00	
48	0.189240	0.26	97.26	
49	0.168712	0.23	97.50	
50	0.161615	0.22	97.72	
51	0.150772	0.21	97.92	
52	0.139434	0.19	98.11	
53	0.132474	0.18	98.30	
54	0.126678	0.17	98.47	
55	0.118531	0.16	98.63	
56	0.116359	0.16	98.79	
57	0.101226	0.14	98.93	
58	0.095372	0.13	99.06	
59	0.084717	0.12	99.18	
60	0.076283	0.10	99.28	
61	0.070613	0.10	99.38	
62	0.062570	0.09	99.46	
63	0.056400	0.08	99.54	
64	0.052729	0.07	99.61	
65	0.052046	0.07	99.68	
66	0.049353	0.07	99.75	
67	0.039832	0.05	99.81	
68	0.034872	0.05	99.85	
69	0.030878	0.04	99.90	
70	0.025098	0.03	99.93	
71	0.024284	0.03	99.96	
72	0.015414	0.02	99.98	
73	0.011071	0.02	100.00	

Appendix 4

Frequency count of respondents in questionnaire demographic categories

Group	Edu	Division	Level	Sun Exp	Tot Exp	Race	Age	Gender
1	81	0	27	13	1	1	27	72
2	22	11	77	29	6	40	82	109
3	10	17	56	33	21	130	56	
4	10	37	20	34	20	3	16	
5	0	13		42	44	7		
6	58	16		26	60			
7		10		4	28			
8		5			1			
9		8						
10		16						
11		14						
12		11						
13		2						
14		5						
15		5						
16		11						

Each cell represents the number of respondents belonging to the sub-group, where group numbers were assigned to demographic alternatives beginning with one in the top left side of the response options on the questionnaire.

Appendix 5

Re-coded sub-groups. Frequency counts in each cell are greater than 9.

Group	Edu	Division	Level	Sun Exp	Tot Exp	Race	Age	Gender
0	57	25						
1	81		27				27	72
2	22	11	77	42		51	82	108
3	10	17	55	32	28	129	55	
4	10	36	20	34	20		16	
5		13		42	43			
6		16		30	60			
7		10			29			
8								
9								
10		16						
11		14						
12		11						
13								
14								
15								
16		11						

For the purposes of increasing the minimum size of any sub-group to a number greater than 10, some of the categories described above were collapsed into bigger (combined) sub-groups as illustrated in Table 5.2. An extra row is included (labelled “0”) to accommodate new groupings in the “education” and “division” categories. In the case of the “education” grouping variable, a number of respondents selected the “other” alternative, and then indicated they had a matric. Such responses were re-coded as a zero. The “division” variable indicated that there were relatively few respondents in 5 particular divisions. Respondents from these divisions were also re-coded as a zero.

Other changes were made where the number of respondents in a sub-category was less than 10 and the categories were collapsed into the next available category on the ordinal scales until sufficient sub-group sample sizes were achieved.