Determinant factors of talent retention at a South African management consulting organisation

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ABSTRACT

The retention of talent in management consultancies is a key determinant of their success. This research endeavoured to identify those factors that impact talent retention at a major South African management consulting organisation. The ingenuity, skills and knowledge of talent are at the core of the management consulting value proposition. Their competitive advantage resides with the retention of their talent. These intellectuals craft industry and global best practises, innovate new ideas and concepts and assist with the operations and the business performance of clients.

The qualitative research study was conducted with 36 respondents and employed a semi structured interview methodology. This further included a second stage where respondents ranked the factors of retention. Content analysis was used to analyse the responses from the semi structured interviews. The research embodied multiple data collection techniques such as conducting in-depth semi-structured interviews; presenting respondents with a rank order questionnaire; analysing on-boarding and exit interview data; reviewing company retention strategies, policies and turnover data.

The results posit that talent remain within the employ at their organisations due to: the attraction and prestige associated with an immensely powerful brand; the access to a talented international network and intellectual property; the diverse and challenging work coupled with the leeway to create innovative solutions. In addition, leadership are cognisant of both professional and personal aspirations of talent; there is alignment and harmonisation of both individual and corporate goals; recognition by peers and leaders; and reward that is commensurate with performance. In addition, the results also highlight complacency and comfort as factors that were not indicated in the literature review.

In this new talent struggle, issues of attracting, engaging and retaining talent has moved to the top of the talent agenda in different parts of the world. Organisations still need to present a common vision and set of values for their talent worldwide.

DECLARATION

I, Prabashnee Naidoo, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

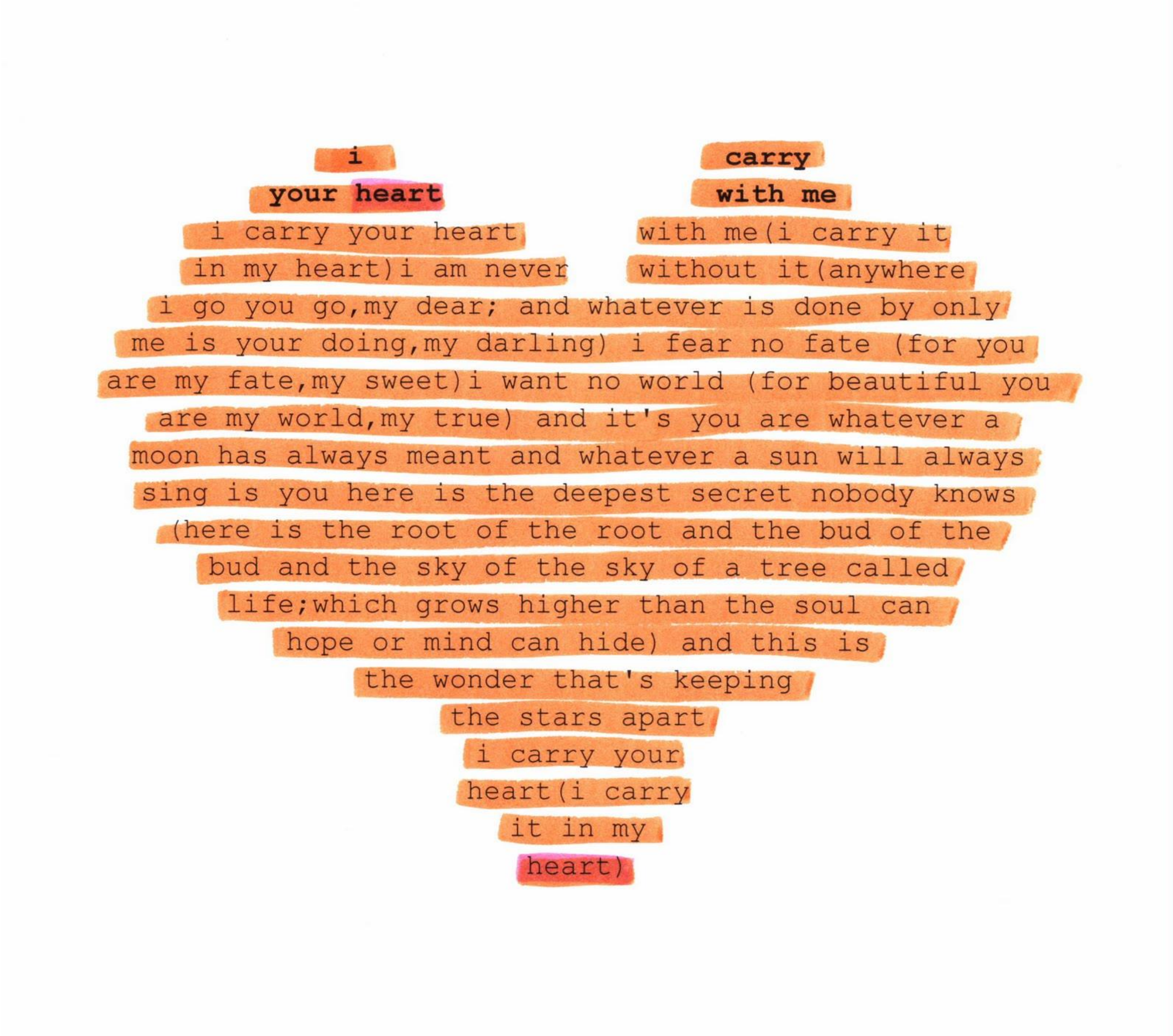
Prabashnee Naidoo

Signed at ……………………………………………………

On the …………………………….. day of ………………………… 2014.

DEDICATION

My thesis is dedicated to my nearest and dearest loved ones, whose love and support have guided me to completion:



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To my dad for instilling in me fierce independence and providing the platform that allowed me to grow into the strong and resilient woman I am today. You have raised me with freedom, autonomy and have supported every life decision I have made, big or small. Thank you for being my pillar of strength through all of the challenges I have faced along the way. You have supported my biggest dreams and ambitions and have never limited or restricted me – this has been my greatest gift –making me believe that I can indeed conquer the world.

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CHAPTER 1: INTRODUCTION

1.1. Purpose of the study

The purpose of this research is to determine the crucial underlying factors that impact the retention of talent within a South African based management consulting organisation. Knowledge based industries such as consulting, are highly dependent on the intellectual property of individuals for their continued success (Gordon, 2009; Kinnear, 1999). Talent, in the form of a highly educated and skilled work-force, is a major differentiator for achieving economic growth (Ashton & Morton, 2005; Cheese, Thomas, & Craig, 2007a). The value placed on human capital has grown significantly due to the increased importance of intangible assets such as: proprietary networks, brand equity contribution to the balance sheet, intellectual property and most importantly talent (Drucker, 2002; Duffy, 2007; Gordon, 2009). This has culminated in the eminence of the knowledge worker in a new globalised knowledge economy (Davenport, 2005; Gordon, 2009; Kinnear, 1999; O'Neal & Gebauer, 2006).

Cheese et al (2007a) affirm that talent and brainpower are the predominant currencies in this new stage of globalisation, particularly in service based economies. Such talent is increasingly regarded as a pivotal source of value for organisations and touted as the motor of the modern economy (Drucker, 2002; Macbeath, 2006). These top echelon individuals are renowned for improving organisational effectiveness via their exceptional performance, efficiency and productivity (Ashton & Morton, 2005; Athey, 2004 ; Brown & Hesketh, 2004; Chambers, Foulon, Handfield-Jones, Hankin, & Michaels, 1998; Craig, Thomas, & Pham, 2008; Davenport, 2005; Drucker, 2002; Kerr-Phillips & Thomas, 2009; Macbeath, 2006; Ready, Hill, & Conger, 2008; Sutherland & Jordan, 2004; Wordon, 2009).

Further, these authors purport that talent has emerged as a force that powers consulting, revered as a source of value, sustainability and profitability. “The shift to intangible sources of value reflects a fundamental change in the nature of competitive advantage" (Cheese et al., 2007a, p. 7). In earlier studies, Richman and Wiggenhorn (2006) posit that talent is the prime differentiator for consultancies in emerging markets such as South Africa. However, the high turnover rates experienced in both local and global markets indicate that these retention strategies may be failing (Wordon, 2009) and has hence necessitated a deeper investigation of talent retention at management consultancies. This study will establish which factors drive the "star performers" to continue their tenure at the consultancy. These individuals are typically deemed to be the talent of the organisation as they constitute the top percentile of achievers.

The findings from this research can be used to proactively prevent the top achieving consultants from being poached by competitors or leaving the industry as a whole. This research can assist organisations in surmounting talent retention challenges by implementing fitting talent management strategies with greater success. Moreover, knowledge of these retention drivers can be employed as a tool to canvass and successfully attract new talent. This is especially pertinent given the demand for talent, their high rate of mobility and South Africa's shortage of professional expertise.

1.2. Context of the study

The 2008 financial crisis generated pronounced movement with talent as they were head-hunted and scurried to find the most stable and secure employment at the time. Hence, the post financial crisis world demands a renewed focus on talent in order to engage with and retain the talent that remained loyal to organisations (Ghemawat, 2010). Maintaining a full talent complement in both good and adverse economic cycles is vital as a means of establishing a leading market position and increasing revenue in the intensely competitive consulting environment (Duffy, 2007; Koyana, 2007; O'Neal & Gebauer, 2006). This has been substantiated by case studies in global markets (Brown & Hesketh, 2004; Chambers et al., 1998; Craig et al., 2008; Frank, Finnegan, & Taylor, 2004; O'Neal & Gebauer, 2006; Richman & Wiggenhorn, 2006). These authors further purport that attracting; developing and retaining talent during times of economic distress enables consultancies to dominate over competitors, who by and large, are reducing labour costs, by retrenching staff and limiting new hires.

It has been asserted (Arnesson, Hokfelt, & Iskander, 2008; Koyana, 2007; Wordon, 2009) that the negative impact of the global financial crisis, South Africa's post-apartheid legacy, skills shortages, "brain-drain" (resulting in the loss of intellectual and technical capacity) and the on-going war for talent have negatively impacted economic and social growth. These factors have impinged upon South Africa's ability to compete in global markets (Brown & Hesketh, 2004; Kerr-Phillips & Thomas, 2009).

According to the Global Competitiveness Index 2012 – 2013, South Africa's developments highlight the country's simultaneous resilience and vulnerability to global economic developments. "Particularly impressive is the country's financial market development (3rd), indicating high confidence in South Africa's financial markets at a time when trust is returning only slowly in many other parts of the world" (World Economic Forum, 2012, p. 53). Table 1 illustrates South Africa's rankings:

South Africa's Global Rankings 2012-2013	
Global Competitiveness (out of 144 countries)	# 52
Business Sophistication	# 38
Innovation	# 42
Higher Education and Training	# 84
Market Size	# 25

Table 1: South Africa's Rankings (World Economic Forum, 2012)

South Africa was ranked 52nd in 2012, remaining the highest ranked country in sub-Saharan Africa, and 3rd placed amongst the emerging BRICS economies. It benefits from the large size of its economy (ranking 25th in market size and 32nd in its good market efficiency). South Africa has also performed well in complex areas such as business sophistication (38^{th}) and innovation (42^{nd}). These combined attributes make South Africa the most competitive economy in the region. However, to further enhance their competitiveness, the following weaknesses need to be addressed; table 2 highlights the most prominent development requirements:

South Africa's Global Rankings (out of 144 countries) 2012-2013	
Labour Market Efficiency	# 113
Rigid hiring and firing practices	# 143
Lack of flexibility of wage determination by companies	# 140
Tensions in labour-employer relations	# 144
High business cost of crime and violence	# 134

Table 2: Improvement Factors (World Economic Forum, 2012)

South Africa dropped 18 places from 2011 in their labour market efficiency (113^{th}), with rigid hiring and firing practices (143^{rd} out of 144 countries), a lack of flexibility in wage determination by companies (140^{th}) and substantial tensions in labour-employer relations (144^{th}) as South Africa was ranked last in this regard. The poor security situation curtails doing business in South Africa and a ranking of 134 is indicative of insufficient protection in the country, which does not foster competitiveness.

In a bid to enhance its global positioning, it is posited that South African organisations should incorporate talent acquisition and retention strategies as part of their mainstream business strategies (Brown & Hesketh, 2004; Kerr-Phillips & Thomas, 2009). This would address issues of labour market efficiency; improved hiring and firing practises would assist in retaining key talent and this would alleviate tensions between employees and employers. Excellence in leadership, innovation, collaboration and communication are essential to their retention (Ashton & Morton, 2005; Athey, 2004 ; Craig et al., 2008; Gordon, 2009).

Organisations can actively promote the retention of top talent by: creating a high performance work culture; establishing leadership and career development opportunities; building a strong employer brand and offering competitive remuneration packages (Birt, Wallis, & Winternitz, 2004; Craig et al., 2008; Duffy, 2007; IOMA, 2009; Kerr-Phillips & Thomas, 2009; O'Neal & Gebauer, 2006; Pfeffer, 1994; Ramlall, 2004; Wordon, 2009). Other factors purported by these authors include: work-life balance; challenging work and opportunities for advancement.

1.2.1 Research Site

A management consulting firm in South Africa was chosen for the following reasons:

1. The organisation is a global firm that competes for the employment of highly skilled and talented individuals in the market place.

2. The industry is renowned for its intense competition for skills and expertise driven by the shortage of skills in the South Africa labour market. The problem is further exacerbated by the employment equity legislation as well as the limited number of highly regarded educational institutions.

3. The management consulting industry has the requisite resources and infrastructure to implement and successfully execute talent retention strategies.

4. This management consulting firm recognises the value and importance of talent. The successful attraction and retention of key talent is top of mind for these executives.

5. In such a supply-demand driven context, talent is perceived as a scarce resource required for billable project work and is hence very much in demand. The competence and expertise of talent are particularly relevant

to the different streams of project work undertaken in the various industries

1.3. Problem statement

1.3.1 Main problem

Organisations are cognisant that a key component of profitability is retaining talent (Cheese et al., 2007; Wordon, 2009). However, talent has become a scarce and highly demanded commodity and this has caused high turnover rates, particularly in management consulting. The purpose of this research is to identify the reasons that talent remains with the employ of their organisation and hence to aid firms in successfully applying strategies to retain talent.

1.3.2 Context to the main problem

As talent is relied upon to deliver the competitive advantage over other firms, their retention strategies become pivotal in maintaining a dominant market share (Craig et al., 2008). However, due to the scarcity and demand for talent, Brown and Hesketh (2004) assert that organisations can no longer count on the loyalty of these highly skilled and marketable employees. Talented individuals hold a powerful position in the formal employment sector due to the dependence on their knowledge, skills, expertise and intellectual property to produce goods or services for profit (Macbeath, 2006).

While problems of retaining skilled individuals are experienced on a global scale, South Africa's shortage and ensuing demand for talent has been compounded by the recent economic slowdown, historical demographics, political transition and labour laws (Arnesson et al., 2008; Kerr-Phillips & Thomas, 2009; Koyana, 2007). Given the time, effort and capital expended on selecting and hiring talent, losing such key individuals is a costly exercise and has substantial financial impacts over both short and long term horisons as well as non-financial implications (Branch, 1998; Bussin & Lee, 2009; Kinnear, 1999). Further, replacement costs are estimated at 150% of individual cost to company packages, which does not take account of: the loss of client relationships; potential innovations and tacit knowledge of the employee.

According to Stumpf and Tymon (2001), management consulting has experienced revenue growth of over 15% since the mid-1990s. Given that revenue is directly proportional to client delivery, the talent required has had to grow at the same rate, but this has not been achieved (Cairo, 2007). This disparity and the increased talent turnover have compelled a need for a more in –depth understanding of the core talent issues.

1.4. Significance of the study

This study will fill the gap in assisting organisations trying to decipher the push and pull factors impacting the retention of talent (Kerr-Phillips & Thomas, 2009). Management consultancies employ talent retention strategies to distinguish themselves in the highly competitive global climate. Proficiency in retaining human capital (Duffy, 2007) is thus mandatory in the bid to increase productivity, achieve accelerated revenue growth and maximise profits (Arnesson et al., 2008; Ashton & Morton, 2005; IOMA, 2009). In this way, consulting firms can impact the bottom line by virtue of retaining their most valuable asset – their talent.

There is currently very little research on the issues of talent retention in the context of South African Management Consultancies following the subprime issue. Talent within the consulting environment are typically referred to as knowledge workers (Davenport, 2005). This study will provide direction and insight to assist business leaders in retaining the country’s top talent and ultimately in securing a dominant market positioning. The value and benefit derived from this study is not limited to management consulting firms, as the principal drivers should remain the same and can be applied across a multitude of industries and sectors.

1.5. Delimitations of the study

This study will investigate talent retention factors at a global management consulting firm in South Africa. The firm has offices internationally and regionally; however, due to geographical constraints, only the Sandton office will be investigated. This professional services organisation has a substantial number of talented individuals employed within the different service areas of its management consulting division; therefore no further assessment of other consulting firms is warranted.

Investigating talent attraction, selection, development, and management issues thus fall beyond the scope of this research. The talent management system also falls beyond the scope of this study and can be proposed as an area for research on its own.

1.6. Definition of terms

Concept	Definition	Reference
Management Consulting	"Essentially a problem-finding and problem-solving activity with respect to the more complex, ill-structured issues confronting an organisation".	(Stumpf & Tymon, 2001, p. 52)
Management Consultant	The role of a management consultant is to be 'precise and creative, formulating methods and analytical tools to address the problem, proposing innovative solutions, forming opinions, taking responsibility for the implementation of the recommendation and sharing the conviction in the outcome".	(Cairo, 2007, p. 1)

Talent	"Characteristics of talent include problem solving and learning ability, individuality and a need for autonomy, and the ability to absorb new information or see existing information in a new light. They have a strong sense of their own worth and they want to demonstrate it and have it recognised. Talent can be further defined as uniqueness combined with ubiquity; diversity combined with dynamism and their ability to multiply and create ever-increasing sources of new value".	(Cheese et al., 2007a, p. 32)
Retention	Retention refers to the various policies and practises that organisations employ to ensure that employees continue their tenure for the longest period. Retention can be defined as the effort extended to keep talent by crafting and nurturing an environment that addresses the needs of this diverse pool.	(Bussin & Lee, 2009; Frank et al., 2004) (Koyana, 2007; Smith, 2010)
"Brain drain" Phenomena	"It is the emigration of skilled persons from one country to another". Professionals and top talent leaving South Africa in the hope of attaining better work opportunities and greater remuneration overseas.	(Nxele, 2008, p. 1) (Koyana, 2007)
Knowledge Worker	"Knowledge workers have high degrees of expertise, education or experience, and the primary purpose of their jobs involves the creation, distribution, or application of knowledge".	(Davenport, 2005, p. 10)
Labour Turnover:	An unplanned loss of workers leaving voluntarily, whom employers would prefer to retain.	(Frank et al., 2004)
Engagement	"The willingness and ability to contribute to the organisations' success".	(O'Neal & Gebauer, 2006, p. 5)

Table 3: Definition of Terms

1.7. Assumptions

- The respondents will be knowledgeable and well informed about the subject matter and they will be able to identify factors related to the retention of talent.
- Respondents will engage in the topic at hand – retention, and not use this as a platform to raise personal agendas with the leadership and management of the organisation or divert to other areas.
- Respondents will share information openly and honestly as anonymity will be guaranteed and all data gathered will be kept highly confidential, given the sensitive nature of the information.
- The organisation has accurately classified and identified individuals considered to be talent.

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

Talent has become a crucial driver of business strategy, performance and revenue generation (Ashton & Morton, 2005; Athey, 2004 ; Brown & Hesketh, 2004; Chambers, Foulon, Handfield-Jones, Hankin, & Michaels, 1998; Craig, Thomas, & Pham, 2008; Davenport, 2005; Drucker, 2002; Kerr-Phillips & Thomas, 2009; Macbeath, 2006; Ready, Hill, & Conger, 2008; Sutherland & Jordan, 2004; Wordon, 2009). Future key competitive advantages can be acquired by the attraction, development and retention of this talent (Michaels, Handfield-Jones, & Axelrod, 2001). The current talent crunch is a result of an imbalance between the supply and demand for skills in a number of areas (Nxele, 2008). This research asserts to determine the drivers that retain such talent within the competitive arena of management consulting in the South African economy. This can be conceptualised as follows:

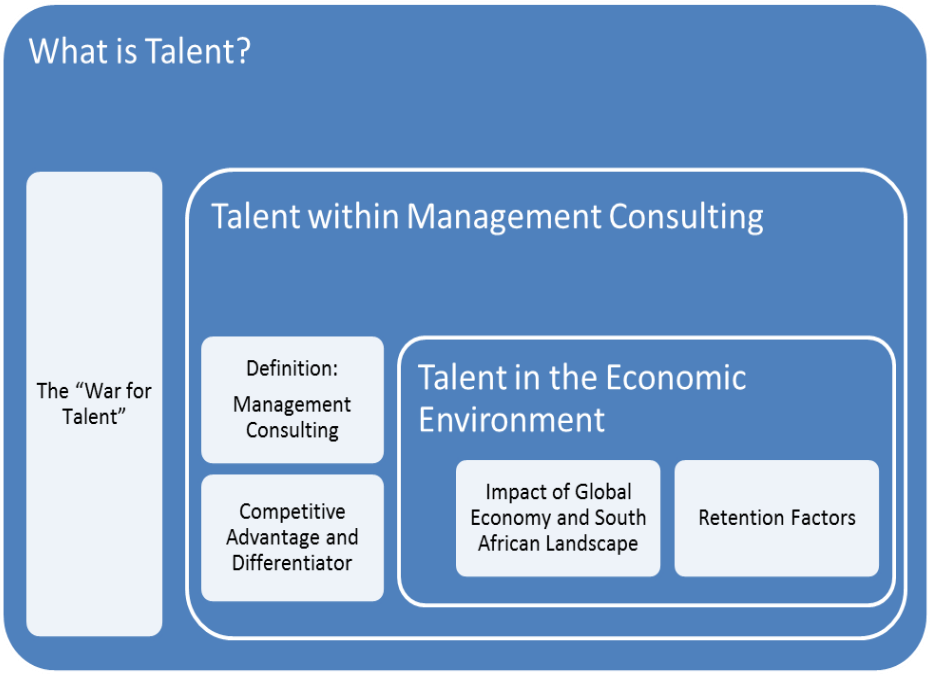

Figure 1: Talent Retention Journey Map

The talent retention journey map in Figure 1 illustrates the content that will be covered in this study and depicts the structure and sequence that has been employed in the presentation of the material. The literature review will begin with a definition of talent, specifically within management consulting in South Africa and will highlight the ongoing "War for Talent" and how talent is conceived of as a competitive advantage and differentiator for organisations in this industry. A brief description of the economic environment will be provided to elucidate the impact of the global economy and the South African landscape amidst which talent is operating. In completing the research, this study will identify the factors that retain talent at management consulting firms in South Africa.

Talent retention refers to an organisation's efforts to keep desirable workers as a means of achieving key business objectives (Cheese et al., 2007a; Duffy, 2007). Hence, these organisations stress a need for management and staff that can meritoriously deal with the diversity of markets and cultures as well as global awareness. Leading edge companies need to ensure that their core competency encompasses talent retention.

Talent retention has become especially pertinent with a trading environment that had been characterised on the one end by global economic jitters, the banking crisis, rising inflation and interest rates, and on the other, by a crippling shortage of skills (Athey, 2004 ; Duffy, 2007; Fisher & Pretorius, 2009; Wordon, 2009). The economic snapshot highlights the need for leadership to actively manage the dynamic work environment, given the volatile effects of the recession.

With the impact of the recession, talent displayed loyalty and accepted standard offers due to the scarcity of jobs within the paradigm of the old reality (prior to 2008). Talent believed that they needed companies more than the companies needed them, but this premise has changed. Under the prevailing circumstances, both globally and locally, talent hold considerable bargaining power due to the scarcity and demand for their skills and intellectual property. While jobs may have been scarce, the demand for talent persisted, and the perception around the intellectual property evolved such that organisations had begun to view talent as a key competitive advantage and differentiator in the market. The increased mobility of talent created more of a demand for them. Table 4 reflects changing perceptions of work that need to be effectively managed:

Talent Managers today must cope with a world of change and contrast	
Old Reality	**New Reality**
People need companies	Companies need people
Machines, capital and geography are the competitive advantage	Talented people are the competitive advantage
Better talent makes some difference	Better talent makes a huge difference
Jobs are scarce	Global abundance but local scarcity of talent
Employees are loyal and jobs are secure	People are mobile and their commitment is short term
People accept the standard package offered	Talent demand much more

Table 4: Talent within a changing working context, Adapted from (Cheese et al., 2007a; Michaels et al., 2001)

It is further asserted that the intangible losses of intellectual property and non – transferable skills, a declining market share, decreased revenue and a loss in competitive advantage are repercussions of not successfully retaining top performers (Kinnear, 1999; Richman & Wiggenhorn, 2006).

It has thus become imperative to manage the macro factors impacting the evolving business landscape. These factors include: globalisation; demographic shifts; new technologies; evolving social attitudes and individual expectations; as well as people dependent business strategies (Ashton & Morton, 2005; Athey, 2004 ; Craig et al., 2008; Gordon, 2009). A more comprehensive list is noted as per table 5:

Macro & Micro Factors Impacting Talent Retention	
Macro Trends	**Micro Drivers**
New cycles of business growth, requiring different kinds of talent	Development of employees based on merit (and not race)
Changing workforce dynamics, reducing labour pools have led to a talent squeeze	A high performance work culture (where mediocrity is frowned upon)
More complex economic conditions which require segregated talent	Leadership development and mentorship programmes
The emergence of new enterprises which poach talent from larger organisations	Exposure to all aspects of business, valuing of skills and abilities, and recognition of contribution
A global focus on leadership which is now permeating many levels of organisations	Reputable employer brand

Table 5: Macro and Micro Factors, Adapted from (Ashton & Morton, 2005; Molefe, 2009; Younger, Smallwood, & Ulrich, 2007)

Decentralisation and the competitive nature of a market economy have necessitated that talent work harder, longer hours at progressively higher stakes (Macbeath, 2006). These top performers are at the cornerstone of operations and are valued above processes and technology – both of which cannot successfully be implemented without the right people (Birt et al., 2004; Craig et al., 2008; Gordon, 2009; Hattingh, 2009).

This is further supported by Jim Collins (Collins, 2001), a highly acclaimed and respected author and researcher in the field of company growth and sustainability. This author posits that people are not the most important asset – the right people are. This is confirmed by Accenture research which highlights that deploying the right talent to the right role at the right time aligns employee strengths and aspirations with the organisation's goals (Cheese, Thomas, & Craig, 2007b). This enhances business success via increased profitability and growth, which is the ultimate goal of talent retention (Fisher & Pretorius, 2009).

With current financial and economic cycles starting to turn, companies would do well to invest in those individuals who will help steer the business out of the storm (Hattingh, 2009; Ready et al., 2008). Hattingh (2009, p. 34) further purports that “focusing on talent will yield significant dividends today, when times are tough, and many years into the future, when things will improve”. Moreover, this author asserts that talent who do not feel valued or adequately compensated for their efforts are at high risk of being poached by competitors. Hence the key is to identify talent and reward them well ahead of the average “bell curve”. While remuneration is a vital component of the retention model, it is not necessarily the largest driver (Bussin & Lee, 2009; Hattingh, 2009; Kerr-Phillips & Thomas, 2009; Marais-Swanepoel, 2009).

Additional drivers have been proposed from studies conducted (Ashton & Morton, 2005; Birt et al., 2004; Cheese et al., 2007a; Fisher & Pretorius, 2009; Frank et al., 2004; Holleran, 2008; Kerr-Phillips & Thomas, 2009; Kotze & Roodt, 2005; Macbeath, 2006): a strong allegiance to employer brand; organisational culture that encapsulates a high performance ethos; well organised and effective leadership programmes that enable their growth and development, including the support and direction provided by mentors and coaches.

2.2. Delineation of Talent

The term talent has been made popular by McKinsey and Company’s book titled the “War for Talent” (Chambers et al., 1998). These authors maintain that both present sustainable competitive advantage and future innovations are primarily a result of superior talent in thriving consultancies.

Critical talent can be defined as: “groups of individuals driving a disproportionate share of their company’s business performance, and generating greater than average value for customers and shareholders” (Athey, 2004 p. 1). This will be further categorised in terms of the research, refer to Figure 8 as per the research methodology chapter. Organisations therefore endeavour to retain individuals who not only add immediate value to the business but those who also exhibit strong future potential (Brown & Hesketh, 2004; Duffy, 2007; Pfeffer, 1994). Table 6 exemplifies the attributes that high potentials exhibit and the X–factor elements that identify them as talent:

High Potentials	Anatomy of a High Potential	• Consistently and significantly outperform their peer groups in a variety of settings and circumstances • Always deliver strong results, master new types of expertise, and recognise behaviour that counts • Achieve superior levels of performance • Exhibit behaviours that reflect their companies' culture and values in an exemplary manner • Driven to succeed • Eager to go the extra mile • Accept that advancing in their careers comes at a sacrifice of their personal lives.
	X Factors	• Drive to excel • Catalytic learning capability • Enterprising spirit • Dynamic sensors

Table 6: Description of High Potential Talent (Ready, Conger, & Hill, 2010)

Talent is often classified as the top performing 10-15% of individuals within the organisation, who display knowledge, skills, behaviours, personality attributes, emotional intelligence and personal ethics that align with the strategic objectives and culture of the organisation (Davenport, 2005; Duffy, 2007; Morton, 2004; O'Neal & Gebauer, 2006). They are efficient and effective at producing results and are competent and willing to perform more senior roles at executive levels, given their level of emotional maturity. Hence, the characteristics of talent are simply based on expected performance in their current roles and leadership potential.

Within a talent context, emotional intelligence can be defined as: the ability to persist and remain motivated despite frustrations; the ability to control emotions and impulses; and the capacity to empathise with others (Duffy, 2007; Gordon, 2009; Macbeath, 2006). These authors further suggest that business ethics has become a critical factor influencing investment decisions and determining the flows of capital across the world. This was strongly illustrated with the Enron debacle. Organisations will fail to attract the desired investments and access to capital if they are unable to acquire and retain the individuals who live the values of fairness, transparency, responsibility and accountability (O'Neal & Gebauer, 2006; Pfeffer, 1994).

Chambers et al (1998) purport that the key to retaining such talent is to create and continuously update a winning employee value proposition. This entails tailoring brands and products to attract the right talent (as per the talent profiles in figure 2), and to pay the “right price”, rather than a “one size fits all” approach. Figure 2 depicts the differing profiles of talent and the drivers that need to be addressed for each category to effectively engage them at work:

Figure 2: Talent Profiles (Chambers et al., 1998)

The drivers in each category are different, and to flourish companies would do well to accurately classify talent according to these criteria. In addition, it is pivotal to align value propositons and incentives in a manner that addresses their beliefs and key motivations.

2.3. The “War for Talent”

McKinsey’s “War for Talent” has featured on the cover of Fortune Magazine and has become a high priority for the leadership of professional service firms – extending from McKinsey to the three B’s (Bain, Boston Consulting Group, and Booz Allen), as well as to the big four accounting firms, namely Deloitte, KPMG, PricewaterhouseCoopers and Ernst & Young (Chambers et al., 1998; Stumpf & Tymon, 2001). Talent has become pivotal to business survival, and due to the short supply, organisations and even nations will go to great lengths to secure such talent from any industry, sector or continent in the world (Nxele, 2008).

This has triggered what amounts to a war for talent. “There are three fundamental forces fuelling the war for talent: the irreversible shift from the Industrial Age to the Information Age, the intensifying demand for high-calibre managerial talent, and the growing propensity for people to switch from one company to another” (Michaels et al., 2001, p. 3). Additional factors that contributed to the “war for talent” include: a booming economy that led to a greater demand over supply of talent; growing demand for the combination of up-to-date technical skills, intelligence and energy; and a value orientation among younger professionals to take control of their own careers (Stumpf & Tymon, 2001).

Organisations need to hence manage these factors by: actively recruiting the right talent; providing necessary training to ensure leading edge employees; and affording talent the latitude to manage their own careers. Thus, organisational survival is reliant on the ability to discover, develop and deploy talent of every kind. Mckinsey research illustrates that 75% of corporate officers are concerned about talent shortages, while Deloitte reports elucidate that 87% of directors prioritise retaining their best talent (Ashton & Morton, 2005).

This new competitive paradigm necessitates a new mind-set that has been inspired by new leadership, informed by new strategy and supported by new expertise (Cheese et al., 2007a). With turnover rates rapidly increasing, South Africa has been cited as a skills hunting ground for the United States, United Kingdom and Australia (Molefe, 2009). The short term solutions employed in the past will not assist in effectively retaining talent (Stumpf & Tymon, 2001). Outbidding competitor salaries and promising rapid career progression have resulted in higher labour costs, disparities between job expectations and the actual job, as well as job hopping as a mechanism to accelerate remuneration and promotions (Chambers et al., 1998).

Hence it is vital to send talent a clear message stating that they are valued; to communicate that they are highly regarded; to demonstrate they are being groomed for promotions and career advancement and to pair them with great bosses (Towers Perrin Global Workforce Study, 2005). To flourish in this “war for talent”, management consulting firms need to develop a compelling and attractive value proposition (Duffy, 2007; Stumpf & Tymon, 2001; Towers Perrin Global Workforce Study, 2005). This value proposition should address financial packages, intrinsic rewards and issues of working conditions (i.e. attractive travel arrangements) and should directly impact consultant satisfaction, performance, commitment to stay in addition to the other factors motivating talent. Table 7 further delineates these motivating factors:

What Motivates Talent?	Percentage of top 200 executives rating factor absolutely essential
Great Company (Brand)	• 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 and Lifestyle (Price)	• Differentiated compensation 29 • High total compensation 23 • Geographic location 19 • Respect for lifestyle 14 • Acceptable pace and stress 1
Great Jobs (Products)	• Freedom and autonomy 56 • Job has exciting challenges 51 • Career growth & advancement 39 • Fit with boss I admire 29

Table 7: Motivating Factors (Chambers et al., 1998)

These authours posit that brand, price and products are the predominant aspects that influence the motivation of talent. Of these, values and culture; freedom and automony; exciting challenging work and being well managed are the top ranking fundamentals that need to be in place to ensure that talent are committed, engaged and productive employees (Duffy, 2007; Stumpf & Tymon, 2001; Towers Perrin Global Workforce Study, 2005).

2.4. South African Management Consulting Sector

The value proposition for consulting firms is universal; therefore it is not necessary to delve into management consulting specifically in South Africa. Consultants mostly “advise on basic strategic decisions, sometimes acting as partners in handling an acquisition in an emerging country, whilst at other times acting as operating consultants, who support management in implementing change or cost reduction plans, with a view to cultivating a long term relationship. Faster; more ideas driven; more concrete; and more deeply integrated at all levels with the client, consultants must maintain a strong relationship with the CEO and with top management, acting as the needle on the balance to manage change effectively” (Cairo, 2007, p. 5).

Consulting can be conceived of as an emotional ‘duet’ between the client and consultant (Stumpf & Tymon, 2001), rather than a merely exclusive logical process. Via analysis and influence, the consultant must provide solutions to often complex client problems and influence the client to take action in order to improve organisational effectiveness. The value of strategic consulting lies in supporting organisations with making the right decisions quickly, especially when it becomes necessary to respond to unexpected technological discontinuity or rapid market changes (Cairo, 2007). “At senior levels of an organisation, the ability to adapt, to make decisions quickly in situations of high uncertainty, and to steer through wrenching change is critical” (Chambers et al., 1998, p. 1).

The value proposition of consulting is hence derived from the ability to successfully assist companies in emerging from unfavourable circumstances to an advantageous position that enables the company to gear up to grab opportunities (Hattingh, 2009). Table 8 indicates that direction, performance and understanding are essential pillars that create the value proposition of management consulting:

Direction	• Where should we expand next? • What kind of firm should we seek to acquire? • What should we divest? • Innovate in new product or service offerings • Create white space • Divergence into new markets
Performance	• How can we increase sales? • How can we reduce costs? • How can we change profitability dynamics? • Increase competitive advantage • Creating, and supporting new business models, which increases speed and efficiency • Supply chain upgrades • Brand development • Assist firms aspiring to best in class performance in the sectors in which they operate • Ensure business achieve their growth targets
Understanding	• How do we enter the market? • What product features should be developed? • Redesigning internal processes • Instrumental in innovation

Table 8: The client value proposition of management consulting, Adapted from (Cairo, 2007; Stumpf & Tymon, 2001)

Further, strategic management consultancies can contribute a constant stimulus to change and the search for world class delivery, assisting in building evolved market scenarios and proposing strategies to mitigate risks and issues. Consultants are renowned for their knowledge and process transfer expertise and utilising benchmark analyses to evaluate and assess markets and competitors. As cited in Cairo (2007), the Feaco 2007 Survey affirmed that the most value derived from the partnership with a strategic consulting company is the achievement of organisational objectives.

The changing nature of consulting towards a more driven organisation has had a ripple effect in terms of retention. Once a new client has been signed, a team is quickly mobilised to address the issues. This is followed by significant assessment and diagnosis, data collection (interviewing and surveying) and data analysis (based on world class best practises), which is carried out by knowledge workers and experts. Results include proposals and recommendations presented orally and supported by reports. The work is performed by management consultants at different levels within the organisation. Success therefore depends on the ability to attract and retain the very best professionals, and afford them the opportunity to use their skills and entrepreneurial spirit to grow within the company (Cairo, 2007).

Strategic consulting has evolved over time and operates from four basic models, as depicted in Figure 3 (Stumpf & Tymon, 2001). Multinational and international management consultancies are the principal attractors of talent due to their prestigious brands and vast networks. Talent that desires international experience and exposure to greater markets and industries are drawn to these organisations.

Talent that aspire for deep knowledge and expertise in their industries and sectors of choice gravitate towards contiguous market segments, where they can hone in their skills and develop competencies.

Small local companies hold appeal for talent that desire vast experience and diverse exposure to all aspects of management consulting. This opportunity is attainable here due to the scale and magnitude of boutique offerings – talent at all levels can gain access to founders and quickly establish comprehensive overviews of consulting with many clients spanning various industries, at a relatively fast pace. Success here is determined by the ability to connect with founders of companies and the capability to establish and maintain relationships with potential clients.

Figure 3: Consulting Models (Stumpf & Tymon, 2001)

The business world has advanced to now value talent (Ashton & Morton, 2005; Duffy, 2007) therefore this dynamic knowledge worker driven sector needs to understand the reasons which motivate employees to stay (Wordon, 2009). It is thus imperative to understand what drives exceptional talent, and more importantly to accurately identify the elements defining a high performer, as illustrated in table 9:

Characteristics of a Good Consultant

- Recognise, deal with and respond to client emotions
- Highly motivated and driven to help clients succeed
- Intelligence
- Have self-confidence without being arrogant
- Exhibit integrity and be trustworthy
- Know and exhibit professional etiquette and courtesy
- Foster good client relationships
- Precise and creative
- Be adept at swiftly formulating methods and analytical tools to address the problem
- Propose innovative solutions
- Take responsibility for the implementation of the recommendation
- Work effectively within teams

Consultants Derive Value From

- High quality interesting colleagues – people who stimulate each other to exceed client expectations
- Yields significant personal and financial rewards
- High quality work environment (office, support systems, benefits)
- Opportunity to develop as a true professional
- Makes a tangible difference with clients
- Work is interesting, varied and meaningful
- Leverages an elite brand to yield greater influence and drive more change than would have been possible without the brand
- Offers intellectual freedom
- Part of a loosely coupled community, providing a sense of both belonging and independence
- Allows one to develop unique expertise and add value to clients

Table 9: Characteristics and Drivers of a Good Consultant, Adapted from (Cairo, 2007; Stumpf & Tymon, 2001)

In summary, this industry was chosen to research the factors influencing talent retention as it employs a considerable number of high level knowledge workers.

2.5. Talent Retention in the Current Economic Environment

While the global financial crisis originated in the United States of America, South Africa has not been immune to the ripple effects. The economy has taken strain: decreased turnover and profits have been reported; large scale retrenchments have taken place across all industries; and unemployment levels have reached all-time highs (Arnesson et al., 2008; Gordon, 2009; Kerr-Phillips & Thomas, 2009). According to Statistics South Africa and the Global Competitiveness Index 2012-2013; South Africa's unemployment rate reached 25% in the 2nd Quarter of 2012 (Statistics South Africa, 2012; World Economic Forum, 2012).

The weak economic climate has necessitated cost savings which has affected remuneration, resulting in reduced bonuses and inflation linked salary increases (Molefe, 2009; Ready et al., 2008; Rubino, 2009; Wordon, 2009). Talented individuals that are disgruntled with their compensation will actively seek greater remuneration elsewhere. These effects have created increased pressure on companies to craft and deploy clear strategies for retaining top performers (IOMA, 2009). Further, “in a borderless global economy with free movement of labour, weaker labour markets become hunting grounds for talent by stronger ones, creating the phenomenon of the brain drain” (Nxele, 2008, p. 5). Africa has been particularly affected by this phenomena; losing for example approximately 300 000 highly qualified professionals in 2004.

These skills shortages have been catalysed by South Africa’s political, economic and social history (Kotze & Roodt, 2005; Koyana, 2007). Kerr-Phillips and Thomas (2009) reports the advancement of black employees to have been constrained by apartheid laws. As cited in Koyana (2007) historical policies of apartheid have separated individuals on the basis of race and this has caused inequalities in all spheres of life. This segregation excluded “previously disadvantaged individuals” from institutions of tertiary education and prevented them from advancing in their careers, due to lack of experience and limited opportunities (Kotze & Roodt, 2005). This frustration has compounded the “brain-drain” phenomena, where talent are leaving South Africa in search of greater remuneration and career advancement elsewhere in the world (Duffy, 2007; Kinnear, 1999; Koyana, 2007).

It is therefore imperative that a tailored and focused approach be adopted with the retention of talent. These are the top performing individuals who acquire new clients, forge good relationships with existing clientele and secure the revenue (Holleran, 2008). At a time when people feared for job security, many vacancies were placed on hold and positions were frozen due to the decline in the economy. Despite the slowing economy, demand for top talent remains strong (Michaels et al., 2001; Wordon, 2009). Talent, at this time, was still in demand, due to their skills and expertise – they were sought after to increase profits and turn around sinking ships. It is further affirmed that when resources are constrained, most organisations center development efforts on individuals they believe will lead the organisation into the future (Ready et al., 2010).

2.6. Talent Retention – Challenges

2.6.1 Talent Mobility

The increasing mobility of talent is not only imposed by the lack of internal growth opportunities, it is also a matter of choice (Chambers et al., 1998). Talent's greatest asset is that which is in their head. In this technology driven era of information and increased globalization, talent are aware of just how much freedom and opportunity they have to change jobs (Davenport, 2005; Drucker, 1989; Gratton, 2010).

Recent trends such as outsourcing, have removed labour mobility barriers across countries (Niththyananthan, 2004) providing talent with opportunities that hitherto were not available. Mobility is therefore a defining characteristic of today's knowledge economy and as Sutherland's (2004) and Birt's (2004) work confirm, the South African management consultant is just as aware and confident of his opportunities as his compatriot in the West. Further, the new talent has diverse international experience and professional management skills (Cairo, 2007). In consulting predominantly, talent desire international secondments and plum overseas assignments (Stumpf & Tymon, 2001). This presents organisations with a unique set of challenges when it comes to the retention of such talent, including the costs associated with the turnover of talent.

2.6.2 Costs of Talent Turnover

Dr Mark Bussin, (Bussin & Lee, 2009) leading authority in the remuneration space, purports that over the past three years, the average labour turnover for top executives and specialists has been 25%, significantly higher than the industry norm for financial services which is positioned between 7–12% and management consulting which is around 15%. Hence, this gap between industry norms (7–15%) and the actual turnover of talent within management consulting (25%) warrants further investigation.

He suggests that a high rate of labour turnover could be an indication of problems with: supervisors; training; company systems; procedural issues; selection of new recruits; induction; remuneration; future prospects; as well as promotion opportunities. In addition, these high turnover rates are partly driven by the ‘up or out’ career track of management consulting firms (Cairo, 2007). Hence failure to implement a talent retention strategy results in the loss of these individuals and the associated costs run deeper than the high financial implication of replacing them (Bussin & Lee, 2009; Wordon, 2009). These authors affirm that the cost for an executive earning R 1 million (and assuming they are recruited outside the company) is illustrated in table 10:

Separation Cost	
3 months period of notice below average effectivness	R 250 000
Administration cost	R 140 000
Acquistion of New Employee	
Recruitment expenses (20% of salary)	R 200 000
Cost of advertisement	R 90 000
One day's interviewing time for 2 executives	R 50 000
Learning Cost	
3 months at below average effectiveness	R 250 000
TOTAL COST	**R 804 000**

Table 10: Direct and Indirect Costs of Talent Turnover (Bussin & Lee, 2009)

This authour further posits that psychic absenteeism costs; separation costs; acquistion costs and learning costs are some of the indirect costs of talent turnover. Psychic absenteeism costs are highly intangible costs, where individuals stop functioning at their peak at least 6-12 months before they officially exit. They deliver only the bare essentails required of them. Separation costs refer to the loss of productivity prior to their exit as well as the effects of any period of vacancy during the replacement search. Expenses related to the recruitment, interview process, assessment, selection and replacement of talent are defined as acquistion costs. In additon, this encompasses the costs associated with retaining talent via promotions and/or internal transfers. Learning costs are conceptualised as on-boarding costs. These are expenses associated with the new hire formally or informally acquiring the knowledge, skills and attitudes required to perform the job and to integrate into a team. Figure 4 illustrates the impact these costs have on the productivity of organisations:

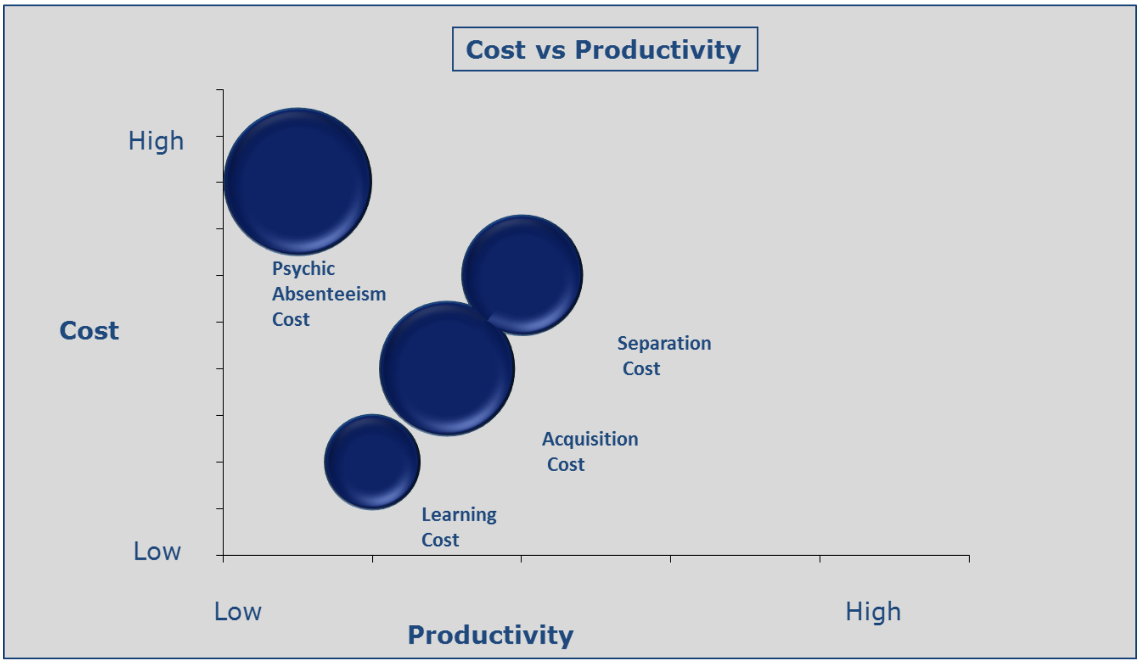

Figure 4: Graph of Cost vs Productivity of Talent (Bussin & Lee, 2009)

The turnover of core talent impacts more than just quality of service, delivery, and damaged employee morale – it also impacts profitability (Hinkin & Tracey, 2000). Further, quantifying turnover costs indicates how much organisations should spend on alleviating it. While in some instances, a certain level of turnover is desirable to weed out the non-performers; this is not the case with talent (Ashton & Morton, 2005; Richman & Wiggenhorn, 2006). Bussin (2009) further asserts that a suitable amount of turnover is embraced as it ushers in new ideas, energy and skills sets. However, losing key talent, who are often an expensive resource, are time consuming to replace, not to mention the loss of client continuity and effects on revenue.

2.6.3 Strategies to Retain Talent

Hence it has become necessary to employ the following strategies in order to minimise the turnover of talent and retain these key individuals:

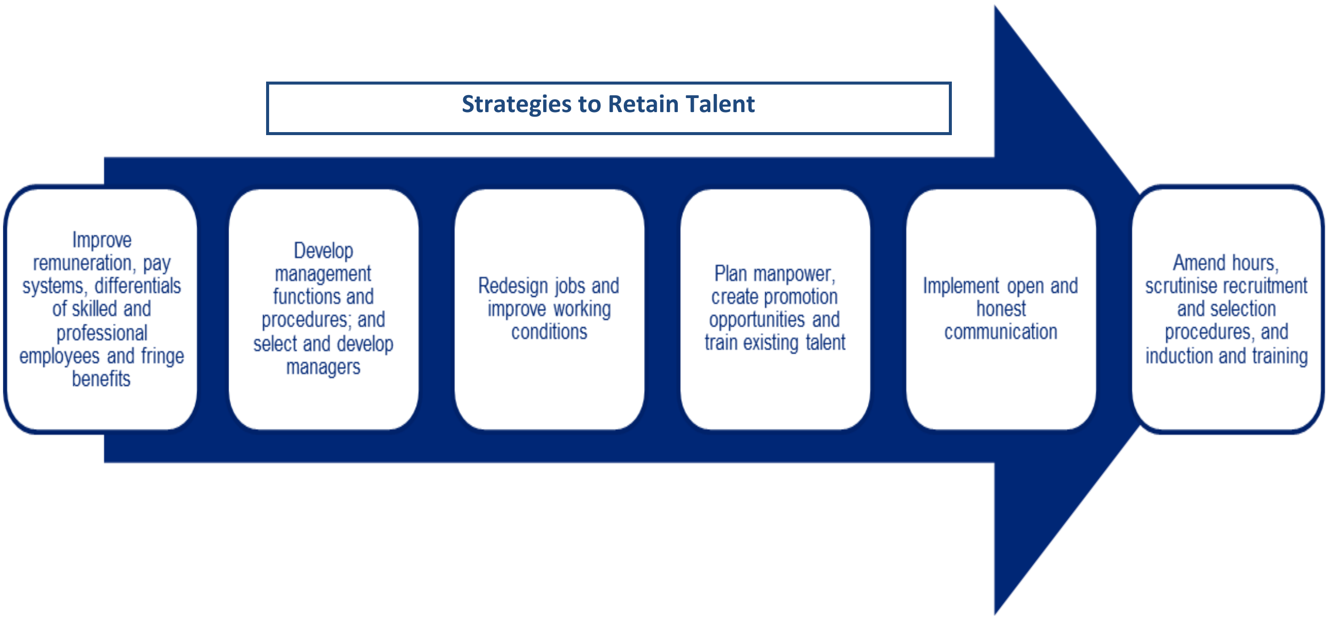

Figure 5: Strategies to Reduce Talent Turnover (Bussin & Lee, 2009)

2.7. Talent Retention – An Overview

Studies conducted by Towers Perrin affirm that the knowledge and skills of the current workforce are highly valued – they are more informed, connected and have an implicit understanding of how their organisation operates. Replacing them or losing them to competitors would be an expensive exercise detrimental to the business (Towers Perrin Global Workforce Study, 2005). They further assert that employers can hold on to these key individuals if the company is perceived to be "talent friendly" (supporting talent and enabling their advancement) and progressive with regards to leading-edge policies and practices, in addition to incorporating a dynamic work environment. Table 11 exemplifies the talent drivers as well as retention strategies that would assist in attaining the overall objective of: retaining top people, reducing turnover and building a strong talent pipeline:

Values sought by Talent	Talent Retention Drivers	Organisational Retention Strategies
Respected	Interesting and meaningful work that can be enjoyed	Provide engaging experiences that develop transferable skills, increasing odds that talent will stay
	Opportunity to learn, grow and improve	Provide variety and stretch assignments
	Work and live in positive/friendly environments free from prejudice and favouritism	Engaging and stimulating culture Career customisation
	Flexibility in schedules and control	Adopt a culture of flexibility
	Be trusted and be able to trust leaders	Demonstrate a willingness and availability to communicate and maintain confidentiality
	Reciprocal loyalty	Retention of key talent depends on cultivating a sense of loyalty and connection
Recognised	Accomplishments (both monetarily and non-monetarily)	Explicitly reward extra effort and impeccable delivery
Remembered	Made a difference	Partner with talent to build legacies Acknowledge excellence of results
	Associated with business that care about their people, community and environment	Be compassionate Be optimistic Be credible
Coached	Positive reinforcement rather than negative fault finding	Be a mentor. Lead as an experienced colleague helping talent to avoid mistakes and become professionals. Provide continuous feedback Collaborative, supportive environment
Consulted	On actions that will affect them	Provide a rationale for the work and the value it adds
Connected	To employer and their mission (both personally and professionally)	Grow teams and networks with great care. Develop the tools and processes to support faster response and more innovative solutions

Table 11: Retention Drivers and Strategies, Adapted from (Smith, 2010)

The power has shifted from corporates to individuals, with talent now holding negotiating leverage to rapidly climb ranks. To counter the rising price of talent, engagement is crucial to retaining them (Michaels et al., 2001). Engagement refers to the “extent to which employees thrive at work, are committed to their employer, are motivated to do their best, for the benefit of themselves and their organisation” (Stairs, Galpin, Page, & Linley, 2006, p. 20). These authors further assert that the most committed engaged employees deliver a 20% improvement in performance and are 87% less likely to leave. On the other hand, companies with low engagement experienced reduced operating margins and a decline in net profit margins (Ipsos Mori, 2006). As a result, consultancies keen on dramatically boosting their performance and coveting a significant competitive advantage need to proactively retain this critical and scarce resource. They need to be cognisant that the elements that attract, engage and retain talent differ in nature, as indicated by figure 6:

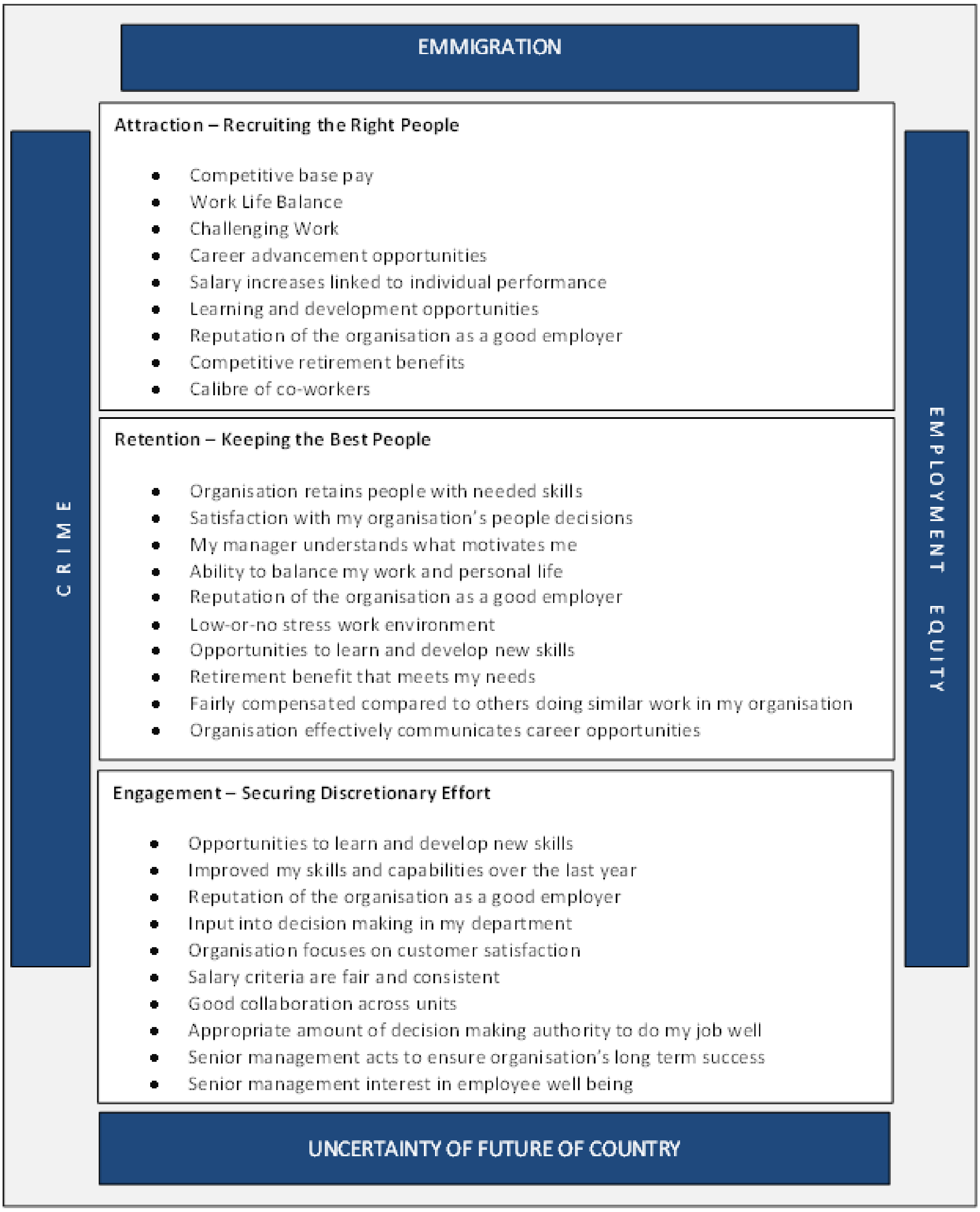

Figure 6: Factors Impacting Talent Attraction, Engagement and Retention, Adapted from (Kerr-Phillips & Thomas, 2009; Towers Perrin Global Workforce Study, 2005)

As depicted in Figure 6, the macro factors (which are illustrated on the borders of the diagram) impacting the retention of talent include: emmigration; crime; uncertainty regarding the future of the country; and the effects of employment equity as it pertains to talent of all races. The safety and security concerns; affirmative action policies and implementation; and the uncertain economic conditions have led to talent leaving the country, resulting in substantial ‘brain drain’ of these top performers (Koyana, 2007). This diagram illustrates that while there are common themes between the attraction, engagement and retention of talent; there are also different factors that retain talent. These factors will be discussed further.

2.8. Determinant Factors Impacting Talent Retention

2.8.1 Reward

Talent are attracted to management consulting due to the great potential for financial rewards (Stumpf & Tymon, 2001). Competitive remuneration is key to retaining talent; while money alone will not compel talent to stay, not rewarding them will force talent to consider alternative options (Chambers et al., 1998). Remunerating talent above market related norms demonstrates to talent that they are valued and this engenders their commitment and loyalty to the organisation (Axelrod, Handfield-Jones, & Welsh, 2001). Furthermore, this raises the costs of poaching; talent would be more reluctant to leave an organisation that not only remunerates them better than industry practices, but also where their interests are acknowledged and protected (Bussin & Lee, 2009).

In addition, management consultancies have reviewed and reinvented their partnership and employee equity models, and have introduced a model that shares both equity as well as control with key talent (Bussin & Lee, 2009; Stumpf & Tymon, 2001). The top echelons of talent desire the rewards for their successful work efforts to be tailored to their needs, and directly commensurate with their accomplishments. Such compensation variability is welcomed because talent know that they will receive significant financial rewards for meeting and exceeding their performance objectives (Hattingh, 2009; Marais-Swanepoel, 2009; Niththyananthan, 2004).

Additional fundamental retention drivers pivot around intangibles such as: a sense of belonging; emotional connectedness at work; self-actualisation; fair treatment and transparent policies; as well as care and concern shown for employees and their families (Marais-Swanepoel, 2009). This is reinforced by Rubino (2009) who asserts that in order to motivate and retain a high quality workforce, organisations need to design and implement creative total rewards programmes that satisfy needs of both the organisation and the workforce.

As a result, organisations pay highly experienced performers good bonuses to keep them on the books, but this does not always guarantee that employees will stay (Molefe, 2009). Competitors are often able to lure talent with take-on bonuses and higher remuneration; although at higher levels of the income scale extrinsic benefits are not the sole determining factors (Wordon, 2009). Competitors can always match the compensation, starting a wage spiral, but an increase in remuneration does not necessarily build commitment (Nxele, 2008). High turnover is an outcome of talent job hopping for greater pay, as demonstrated in Shanghai where the average tenure is 1.8 years at an organisation (Stumpf & Tymon, 2001).

Furthermore, while talent want to be fairly rewarded, they also seek flexible work hours; opportunities for growth and development; strong leadership that takes an active interest in employee wellbeing; a strong employer brand (one they can be proud of); and organisational culture aligned to their personal values and belief systems (Kerr-Phillips & Thomas, 2009; Sutherland & Jordan, 2004; Wordon, 2009). Cairo (2007) posits that most organisations in the developing world cannot win a salaries war; hence the retention strategy needs to be a unique holistic home-grown proposition.

2.8.2 Recognition

The nature and form of performance related rewards are pivotal to talent retention (Sutherland & Jordan, 2004). Kinnear (1999) notes that talent desire recognition for individual output and are motivated by rewards that give them a stake in the business. Further, Wordon (2009) affirms that besides remuneration, communication is a vital aspect of recognition and acknowledgement. He asserts that talent want their efforts and work to be recognised and this is not restricted to monetary rewards. Often a public “pat on the back” is what talent seek; they want to know how they are performing and want to be rewarded when they do well. Talent seek credit for what they have contributed and accomplished (Brown & Hesketh, 2004). Hence regular feedback and visible recognition are high motivational factors that applaud talent for the value they add.

Value is derived both extrinsically and intrinsically; hence both are complementary and vital for retention. When successful, engagement with new ventures and new economy firms provides the intrinsic rewards necessary to retain the talent required in professional firms (Stumpf & Tymon, 2001). Examples of such intrinsic rewards are illustrated in figure 7:

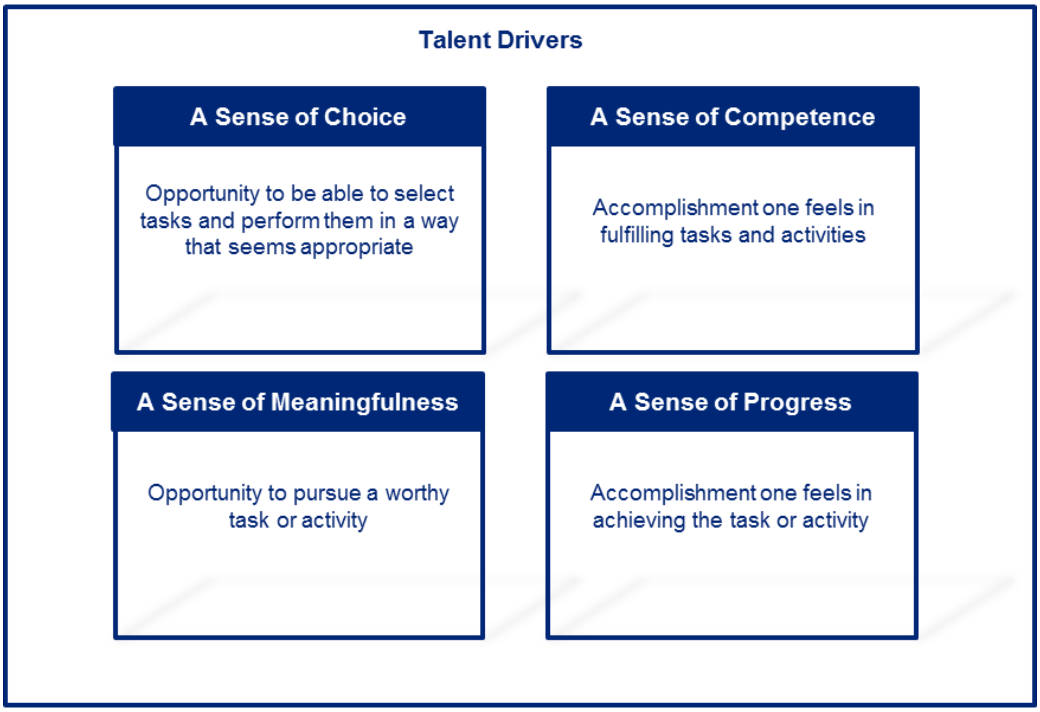

Figure 7: Recognition: Intrinsic Rewards (Stumpf & Tymon, 2001)

Hattingh (2009) admonishes that while these aspects are not costly monetary rewards, it demands a significant investment in time and sincere effort from management. When implemented correctly, the result is an engaged, emotionally committed workforce that embraces and accomplishes the goals of the organisation. In addition, talent believe that they are successfully rewarded for their work efforts (Bussin & Lee, 2009; Fisher & Pretorius, 2009; Kerr-Phillips & Thomas, 2009; Sutherland & Jordan, 2004). This ripple effect increases productivity of talent which equates to augmented revenue streams and profitability.

2.8.3 Culture

Organisations that are successful in retaining key talent are those that develop and implement a compelling employee value proposition (Morton, 2004). These firms demonstrate to talent that they are valued; there are plans for the career aspirations and advancement of talent; and that talent's needs for personal growth are catered for. Such organisations that adopt a talent mind-set create a stimulating place to work where the culture and values attract and retain the desired talent (Michaels et al., 2001).

Hence, talent want to work for companies that value their contribution and appreciate that talent is critical to their success. This is supported by the Towers Perrin study which affirms that individuals want to be part of a "winning organisation"; one that acknowledges and rewards the top talent (Towers Perrin Global Workforce Study, 2005). They further posit that companies which invest time and expend effort into leadership, management, career development and reward initiatives will position themselves as an employer of choice and hence attract the best talent. This is reinforced by Kotze (2005) who affirms that talent who perceived their current employer as an employer of choice had a higher propensity to stay with the firm than those who did not hold such a view. Employers of choice are perceived to be consultancies on the leading edge and talent are thus attracted to their strong brand, image and reputation (Brown & Hesketh, 2004).

Studies conducted by O'Neal and Gebauer (2006) affirm that retention is strongly correlated with an organisational culture that values and nurtures talented employees and seeks to find high calibre people who have the requisite skills to ensure organisational success. An organisation's culture is perceived to be a global talent retention driver (Smith, 2010). A strong work culture, coupled with leadership development opportunities, a strong employer brand and competitive remuneration were noted to be factors that attracted the top achievers to their companies (Kerr-Phillips & Thomas, 2009).

The brand promise needs to be reflected in the culture of the company, and if the culture is one centred around talent, these individuals realise their role in making the company's business strategy a success (Ready et al., 2008). This can be a pivotal source of competitive advantage (O'Neal & Gebauer, 2006).

Holleran (2008) posits that to attain this dominant positioning, employers need to adopt a culture of empowerment, as consultants desire a rich and stimulating work environment. Talent that are empowered demonstrate a stronger work ethic: they hold themselves accountable for their decisions; treat the company as if it were their own; and advance the company's goals and missions as it is aligned to their personal goals (Stumpf & Tymon, 2001). The principal benefits are increased loyalty, reduced turnover and amplified revenue.

2.8.4 Managerial Impact

"An organisation's reputation as an employer of choice is only as strong as its individual managers" says Gary (2004, p. 4). The relationship talent has with their immediate supervisor determines their view of the company and a bad relationship is, for many, a sufficient reason to leave (Sutherland & Jordan, 2004), as shown by the statistics in figure 8:

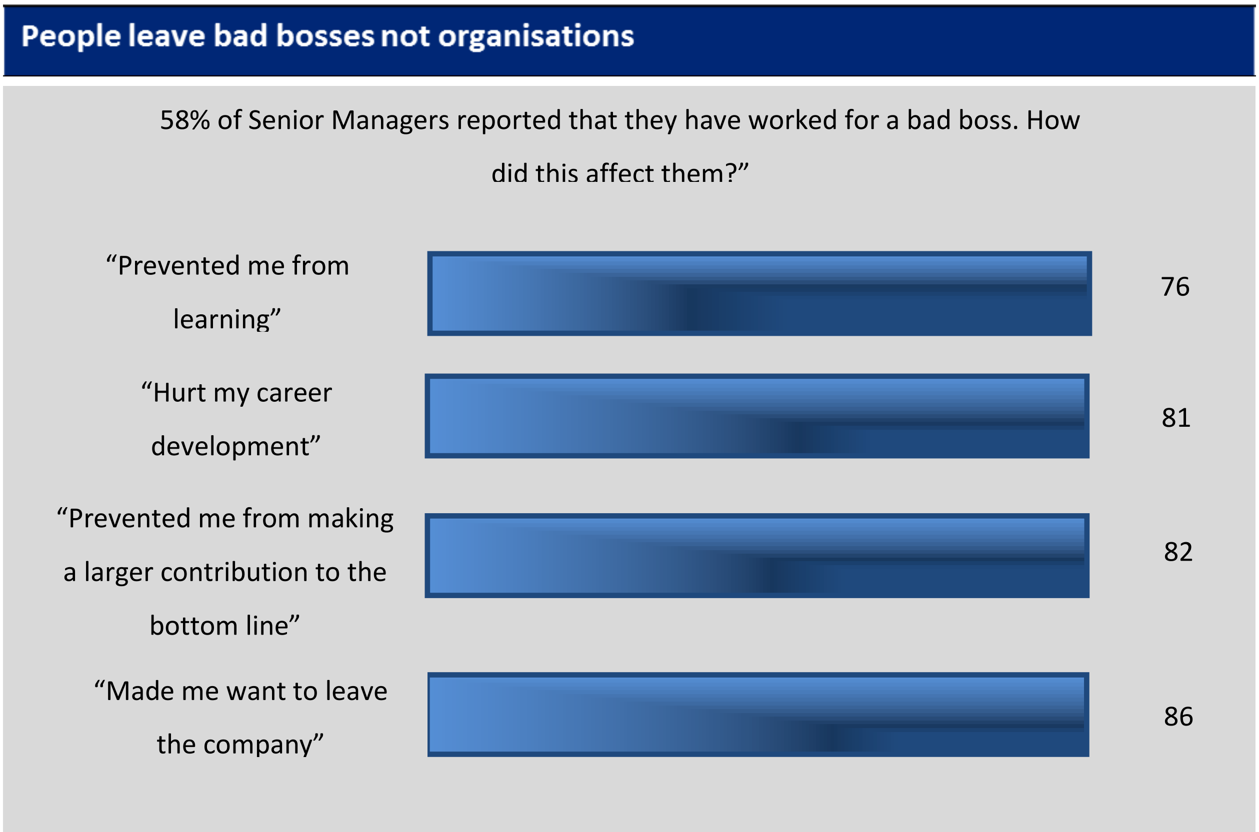

Figure 8: The Cost of a Bad Boss (Axelrod et al., 2001)

Conversely, managers with strong interpersonal skills who embody the organisation's values and take an interest in the development and growth of their high achievers tend to engender higher levels of loyalty and organisational commitment and retention as a result (Gary, 2004). This highlights the importance of effective and inspiring management; it is hence vital that talent have a manager who understands and motivates them in order to effectively retain such talent (O'Neal & Gebauer, 2006).

Talent who do not trust their management (either from past experience, retrenchments or outsourcing) will have a higher propensity to move on (Frank et al., 2004). It is therefore imperative for managers and leaders to build trust with team members, institute team morale, and accommodate individual needs and views. This setting should be nurturing and developmental, where talent can be stretched to their limits in a controlled, safe space, realise their capabilities (Ramlall, 2004) and foster engagement.

Frank (2004) affirms that the engagement of talent is vital for retention; this determines if successful employees will want to go the extra mile in their roles, and hence contribute to the organisation’s bottom line. It is further affirmed that engagement is essential for a firm that wants to elicit maximum results from their talent. High performers that are retained but not actually engaged may not be performing according to their true potential or at an optimal level.

To mitigate issues of engagement, talent need to be recognised, feel valued, and be informed that they have been earmarked for development and this can be achieved by good managers (Chambers et al., 1998). Informing talent of their valuable role in achieving business objectives and recognizing contributions made will create a culture of high performing individuals (Frank et al., 2004; Stairs et al., 2006). This type of culture enables improved innovation which leads to more attractive financial results, and ultimately to the retention of key talent.

2.8.5 Career and Personal Development

Companies that are talent developers realise the importance of employee development. They therefore ensure that it is an integral component and top priority of the organisational strategy (Chambers et al., 1998). Kinnear’s (1999) model of retention highlights three strategies that are key to increasing talent commitment to an organisation: development opportunities in one’s area of expertise; the presence of knowledgeable colleagues from whom one can learn; and challenging work assignments.

This is affirmed by Sutherland (2004), who posits that talent which were highly focused on personal growth and were more likely to remain with an organisation that provided challenging work and opportunities for career development. Companies realise the importance of accelerating the development of skills in workforces that directly correlate to the achievement of business strategy (Cheese et al., 2007b). These firms have intensified the use of technology to catalyse learning and development. They enhance the connectivity and mobility of their talent and implores upon them to share knowledge and experience.

Loyalty and retention are further cemented when organisations are willing to invest in talent by the availability of generous tuition; ample job related training as well as continuous development and advancement (both upward and lateral) opportunities (Brown & Hesketh, 2004).

Richman and Wiggenhorn (2006) posit that it is imperative to cater to both the career aspirations of talent as well as appeal to their areas of personal growth and development. These can be attained by: increasing levels of responsibility and stretching job assignments; providing tools for development via job rotations, position shadowing and out-of-country work opportunities; bridging gaps in competencies with the effective use of trained mentors and coaches; and assigning projects that hold meaning for talent and encapsulate action-learning.

Such professional and personal development can help retain talent by providing the support, stimulation, renewed vigour and commitment; but it can also provide the incentive for talent to move on, armed with confidence, finely tuned skills, expertise and core competencies (Macbeath, 2006). The key is to thus invest in talent, both from a monetary and emotional impetus to reinforce their commitment, engagement and loyalty to the organisation.

2.8.6 Leadership Development

While leadership development can be construed as a component of career and personal development, the drive and explicit demand for this type of training and advancement warrants a more comprehensive assessment. Kerr-Phillips and Thomas (2009) proclaim that associated with the retention of talent are the leadership and interpersonal skills required to manage an increasingly diversified workforce. The world's top performing organisations acknowledge the critical role that leaders play in achieving business objectives by retaining their talent (Stairs et al., 2006). It is asserted that the intellectual capital base of the organisation will be grown and enhanced by the leadership development of top talent.

Further, these market leaders prioritise the identification of leadership potential as well as the creation of comprehensive developmental paths for current and future managers and leaders (Gallup Consulting, 2010). In a work environment that is constantly evolving, leaders need to be developed, mentored and coached to equip them with the skills that will enable them to thrive and succeed (Conger & Fulmer, 2003; Gratton, 2010).

To succeed, talent developers need to have managers and leaders who are good coaches, in addition to being able to continuously mentor staff (Younger et al., 2007). Coaching is used to improve an individual's performance, whereas mentoring involves learning how things are done in an organisation (Hiltrop, 1999). Both coaching and mentoring assist talent in acquiring and polishing particular skills sets; in addition they facilitate the development of relationships within the organisation (Younger et al., 2007). Such opportunities and initiatives help foster loyalty (Hiltrop, 1999).

In this era of young, independent, highly marketable and mobile workers, empathy is particularly critical to leadership development. The lack of empathy has been cited as a strong driver of talent turnover (O'Neal & Gebauer, 2006; Rubino, 2009). Dr Daniel Goleman states that leaders with empathy do not merely sympathise or agree with people's opinions; they analytically consider the feelings of employees in the process of intelligent decision making (Martinuzzi, 2009).

Aligned to the mobilisation of talent, leaders need to empower these high performers at every level to lead (George, Sims, McLean, & Mayer, 2007). Furthermore, these authors assert that good leaders are continuously developing; therefore such self-actualised individuals make for great mentors. Via their own journey and personal experience of climbing the corporate ladder, they are able to guide and assist with the career growth and personal development of rising stars. Figure 9 illustrates the 9 box model (Conger & Fulmer, 2003) that is predominantly used to identify talent readiness for career development:

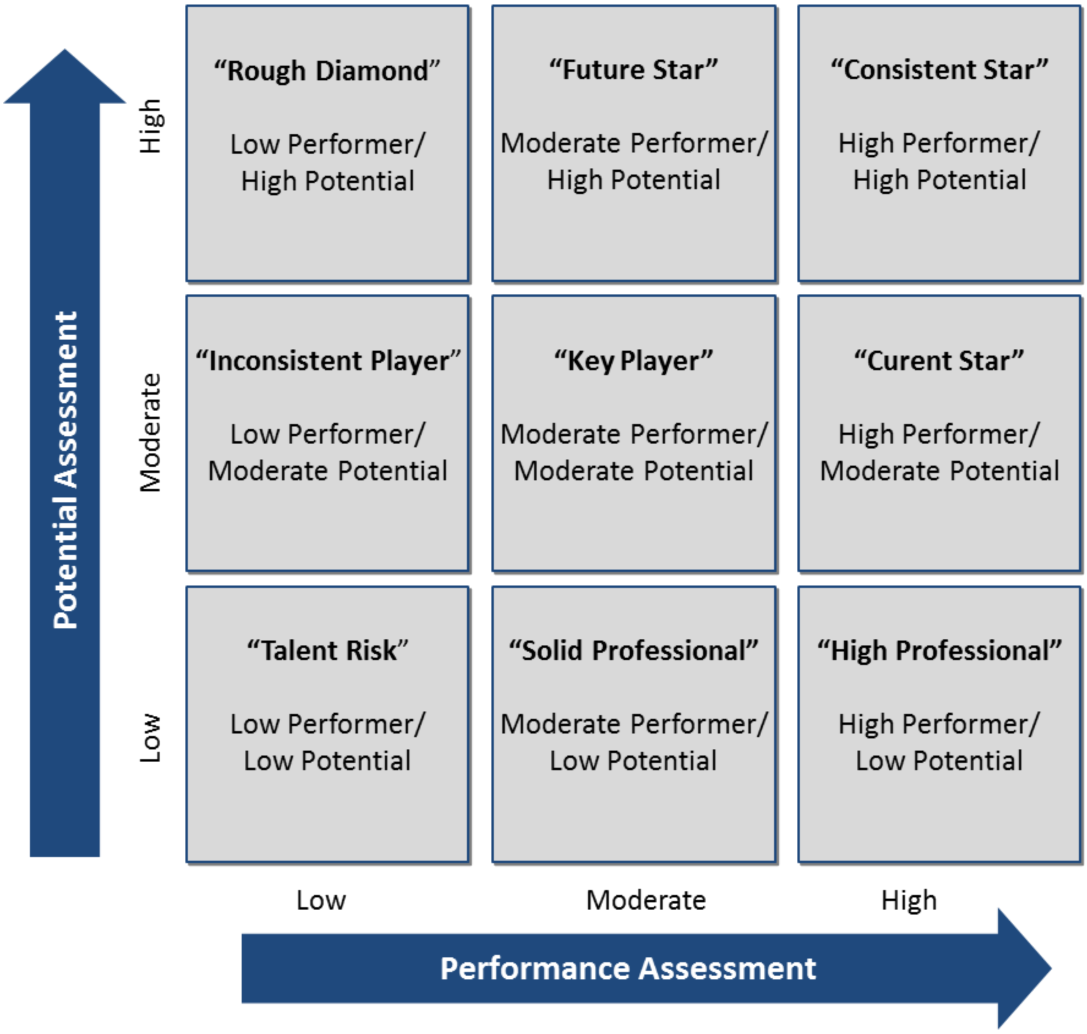

Figure 9: The 9 box model classifies talent in terms of potential and performance, Adapted from (Conger & Fulmer, 2003)

This matrix is often used by management to accurately identify talent based on their current performance as well as evaluate the potential for promotions and opportunities for leadership roles and responsibilities. Consistent and current stars are high on the radar and such talent that is destined for leadership will not remain with a firm that is not interested in their development (Ready et al., 2008). Future stars and rough diamonds could be coached and mentored to perform at their prime and harness their potential to achieve the organisation's critical business needs. This would further enable the talent supply to meet business demands.

2.8.7 Work Life Balance

Today's workforce advocates a greater work life balance, and talent may accept reduced remuneration if it provides a freer and more flexible environment (Nxele, 2008). This is reinforced by Smith (2010) who affirms that the need for balance, flexibility, and new innovative ways to get work done demonstrates progressive thinking and enhances the attractiveness of some management consulting firms. These organisations offer a nurturing environment, reduced pressure and more flexible working arrangements; however this is coupled with reduced remuneration (Cairo, 2007). Talent need to weigh the opportunity costs and trade-offs of such a proposal.

Organisations need to implement company policies that are aligned to the needs of the current diverse workforce. Particular attention must be given to the differing definitions and perceptions of work life balance and the implications of multiple generations at work (Stairs et al., 2006). The generational mix of today's workforce requires further investigation as each generation focuses on varied goals, ambitions and are driven by different sets of ideals, values and belief systems.

The more informed and driven Generation X (born 1965-1980) has an acute sense of self and is predominantly keen on fulfilment in both their careers and personal lives (Collins, 2001). The current talent workforce is not as willing to make traditional trade-offs, which they perceive as sacrificing too much of their family and personal lives.

Millennials or Generation Y's (born after 1980) primarily focus on their relationships with family and friends (Codrington, 2011). They emphasise flexible working arrangements as a means of acquiring an integrated work-life balance. They believe that they should be measured on outputs and not inputs or 'face-time' at the office. The generation X and Y working force adopt a 'work to live' ethos rather than a 'live to work' philosophy that was predominant in prior generations.

Management consultancies that wish to retain this talent pool would do well in offering them greater control; a bigger say in the structure of their jobs; and some freedom in how they deliver and add value both to clients and to the business (Cairo, 2007; Stumpf & Tymon, 2001). These issues can be addressed by implementing capacity for autonomy, flexibility and independence.

2.8.8 Capacity for Autonomy, Flexibility and Independence

Notwithstanding the challenging recessionary times, organisations globally and domestically are fighting to engage the best and brightest employees, particularly young talent. These individuals crave challenging work, and the opportunity to excel and advance. A discrete job description does not bode well; talent want the freedom to perform work activities on a broader scale in order to accumulate new knowledge, experiences, skills and abilities (Hattingh, 2009; Marais-Swanepoel, 2009; Niththyananthan, 2004).

Furthermore, talent seeks autonomy, flexibility and independence, as a mechanism to organise and control their work and environment (Brown & Hesketh, 2004). Davenport (2005) further asserts that talent perceive autonomy as a fair exchange for their educational and work experience acquired, affirming that increased training and studying correlates to a greater ability to manage oneself. Telecommuting and flexi work hours have made this feasible as a means of achieving greater productivity. The need for flexibility at work is driven by the need to divide energy and focus between home and work (Smith, 2010).

This author further posits that creativity and imagination in client delivery require focus and commitment. Talent's ability to contribute ideas optimally is reduced if they are preoccupied with personal matters. A genuine culture of flexibility, choice and autonomy creates an environment where everyone is responsible for the high quality and timeliness of the final product. In such an environment, there is less focus on the specific schedule of when or where the work is accomplished (Cairo, 2007; Stumpf & Tymon, 2001). They assert that the value is derived from a more nimble and efficient consulting firm with increased capacity to meet client needs effectively.

2.8.9 Challenging and Meaningful Work

Talent insists on both meaningful work and meaningful personal lives (Smith, 2010), are ardently searching for greater meaning in their work, and prioritise opportunities for challenging experiences (Nxele, 2008). Organisations that address the needs and requirements of challenging and meaningful work would do well in retaining talent.

Cairo (2007) and Stumpf (2001) both assert that these challenging work assignments include the attraction of international assignments and secondments. Further, aspiring young talent strongly assert their ambitions of exploring and gaining international experience outside of South Africa. This is especially pertinent with management consulting; overseas assignments are on the younger consultants "wish list". This is due to the experience and skills they will acquire abroad, as well as the prestige of being chosen for these plum assignments as demand is usually high and only the best are cherry picked. In contrast, the more senior consultants who are married, with families prefer to not travel out of the country with extensive periods away from their loved ones.

Talent can be retained by providing them with stretch assignments to challenge them, in a manner that helps them grow, rather than set them up for failure. This is reinforced by Chambers (1998) who affirms that opportunities should stretch their abilities and intellect and not defeat them. This is vital in building their technical and personal abilities, as well as decision making skills (Richman & Wiggenhorn, 2006), which empowers and develops talent, which results in the successful retention of talent (Ready et al., 2008). By this token organisations should strive to develop talent pools from within (Hiltrop, 1999; Wordon, 2009; Younger et al., 2007) as a mechanism of retaining talent.

2.8.10 Fair and Transparent Employment Practises

Promoting people on merit illustrates fairness in the workplace, and organisational commitment to talent who are high performers. People are more likely to remain with the organisation if they believe employers make fair decisions in this regard (O'Neal & Gebauer, 2006). However, in South Africa this is cause for dissent in the workplace; there exists a perception that in meeting employment equity legislature, colleagues are promoted on the basis of their race rather than merit (Kerr-Phillips & Thomas, 2009; Koyana, 2007; Molefe, 2009).

Employment equity has created opportunities for talent in South Africa to move around at a rapid pace (Sutherland & Jordan, 2004). This has partially contributed to the short tenures of talent; research illustrates that an individual spends an average of four years in one organisation (Molefe, 2009; Wocke & Sutherland, 2008). Organisations looking for a quick fix to address the equity concerns may hire inexperienced individuals in order to reach legislated targets (Wordon, 2009). This creates fear and uncertainty among other race groups and subsequently increases their propensity to leave the organisation and may also catalyse decisions to relocate.

The resultant loss of top talent can then be attributed to factors such as: lack of leadership or poor leadership; organisational culture and employment equity (Kerr-Phillips & Thomas, 2009). Talent will not remain with an organisation whose culture does not align to their value systems and fundamental beliefs; and where leaders are lacking in their capability to provide the necessary direction and scope of advancement for their talent pool.

In contrast, a study by Birt (2004) showed that, while regarded as an issue of concern by talent, the legislation had little effect on the retention of high performers in the financial services sector. He identified factors such as: challenging and meaningful work; advancement opportunities; high managerial integrity; empowerment and responsibility; as well as career and personal development as most affecting intentions to stay with an employer. It is proposed that consultancies would do well to initiate fair and transparent group policies and practices to solve these issues (Macbeath, 2006; O'Neal & Gebauer, 2006).

2.9. Conclusion

Talent has become a keen source of sustainable competitive advantage. Businesses are now competing for these individuals in “every region of the world to innovate new products and services and open new markets” (O'Neal & Gebauer, 2006, p. 11). Agile organisations are developing “talent supply chains” to meet new strategic objectives and dynamic business conditions (Cheese et al., 2007b; Michaels et al., 2001). Jim Robbins, CEO of Cox Communications was quoted in 2000: “talent is the single gating factor for us in realising our growth vision” (Michaels et al., 2001, p. 5).

This literature review illustrates that the core themes of talent retention include: personal growth and development opportunities provided for by structured leadership programmes and initiatives; challenging and stimulating work opportunities created by a high performance culture; attractive company brand (employer of choice), is active in promoting the development of employees, is ethical in its business approach; and remuneration packages that are competitive and market related.

The retention and engagement of employees should be part of the overall firm’s strategy, involving employees at all levels (Frank et al., 2004). If this is a requirement of the strategy and management aspire to succeed, they should be involved in the execution of the talent development strategy and cultural change (Hiltrop, 1999).

It is therefore proposed that a holistic talent retention strategy be implemented by creating and customising “employee value propositions” that appeal to the needs, aspirations, and expectations of the target population.

Table 12 summarises the factors surmised to impact the retention of talent. This table was used to construct the framework for the interview questions that will be discussed as per the research methodology chapter:

Retention Factors	Brown & Hesketh 2004	Cairo 2007	Chambers 1998	Cheese 2007	Davenport 2005	Kerr Phillips 2009	Macbeath 2006	O'Neal & Gebauer 2006	Ready 2008	Richman 2006	Smith 2010	Stumpf 2010	Sutherland 2004	Wordon 2009	Younger 2007
Reward		x	x	x		x				x		x	x	x	
Recognition	x		x	x		x				x		x	x	x	
Culture	x			x		x		x	x		x	x			x
Managerial Impact		x	x			x		x		x		x	x		
Career and Personal Development	x		x	x			x					x	x	x	
Leadership Development			x			x		x	x	x					x
Work Life Balance		x		x	x			x		x	x	x	x	x	x
Capacity for Autonomy, Flexibility and Independence	x	x			x			x		x	x	x		x	
Challenging and Meaningful Work		x	x	x		x		x	x		x	x		x	x
Fair and Transparent Employment Practises						x	x	x		x			x		x

Table 12: Matrix Table of Talent Retention Factors

For the purpose of this investigation, the research question has been framed subsequent to the review of literature in this field:

2.9.1 Research Question

What are the factors that determine the retention of talent at a management consulting organisation in South Africa?

CHAPTER 3: RESEARCH METHODOLOGY

A qualitative approach has been selected for the proposed research. This study aimed to explore and establish the factors which lead to the retention of key talent. The literature reviewed highlighted core themes and elements linked to the retention of this talent specifically within management consulting. The objective of the study was to verify the relevance and validity of the factors identified in the literature review. This was achieved by semi structured interviews as well as utilising content analysis to confirm results obtained. Table 13 summarises the various research methodologies:

Criteria	Qualitative Approaches	Quantitative Approaches	Mixed Methods Approaches
Strategies of Enquiry	• Phenomenology • Grounded theory • Case study • Narrative	• Surveys • Experiments	• Sequential • Concurrent • Transformative
Methods	• Open ended questions • Emerging approaches • Text or image data	• Closed ended questions • Predetermined approaches • Numeric data	• Open ended and closed ended questions • Emerging and predetermined approaches • Quantitative and qualitative data and analyis
Practices of Research	• Collects participant meanings • Focuces on a single concept or phenomenon • Brings personal values into the study • Studies the context or setting of participants • Validates the accuracy of findings • Interprets the data • Collaborates with participants • Creates an agenda for change or reform	• Tests or verifies theories or explanations • Identifies variables to study • Relates variables in questions • Uses standards of validity and reliability • Observes and measures information numerically • Uses unbiased approaches • Employs statistical procedures	• Collects both qualitative and quantitaive data • Develops a rationale for mixing • Integrates the data at different stages of inquiry • Visual representation of procedures • Employs the practises of both qualitative and quantitative data

Table 13: Research Methodologies (Creswell, 2003, p. 56)

With qualitative methodologies, researchers are able to: accurately identity characteristics or traits of people, processes and/or organisations; gauge the validity of theories; assess the efficacy of strategies, operations, or practises; and develop new insights around a specific phenomenon (Leedy & Ormrod, 2001; Williams, 2007). Creswell (2003) asserts that qualitative research methods make use of open-ended data, based on respondents' experiences. Theories are produced from this data based on outcomes and literature that support and validate the data.

Qualitative research is usually exploratory, utilising smaller sample sizes, therefore results cannot be generalised or extrapolated to a population. Furthermore, Willig (2008) states that this type of research is dependent on the interpretation (or misinterpretation) of both the researcher as well as respondents. Disadvantages of using this research design are that the results cannot be inferred to the whole South African management consulting sector.

These authors purport that this type of methodology lends itself to several weaknesses, including: the lack of objectivity; structure; precision and rigour; quantitative data and results that are simplistic and subjective, based on opinions. Bryman and Bell (2003) further affirm that qualitative studies focus on individuals' perceptions of reality and does not allow for statistical analyses to be conducted.

While it has flaws, qualitative methodology is effective and powerful in delineating constructs and matching real world concepts and principles with theories. This methodology enabled a comprehensive exploration of the factors that determine the retention of talent. The face-to-face interaction with the researcher eliminated the possibility of ambiguity as the researcher was able to clarify questions or definitions and/or terminology as required.

3.1 Research Methodology

While outliers are discarded with quantitative methodologies, qualitative research delves deeper into exceptional cases and idiosyncrasies to acquire a more holistic and comprehensive understanding of a phenomenon (Willig, 2008). Hence, a qualitative approach was adopted as it aligns with the empirical nature of this study, and facilitated the understanding of respondents' perceptions of the world (Creswell, 2003), particularly as it pertains to the retention of talent. This study implemented a two pronged approach, where the interviews initiated the research process, preceded by a second stage of statistical analysis to validate the factors impacting the retention of talent.

As per Brown and Hesketh (2004), interviews can provide in-depth information not contained in performance reports or views that employees may be reluctant to provide via questionnaires. Moreover, a skilled interviewer could draw pertinent information by gaining their trust. The structured interview is quite rigid and does not allow much room for deviation. The semi-structured interview is more applicable in this instance due to the flexibly and adaptability to probe, therefore providing a source of rich content. Disadvantages include the loss of anonymity and lengthy time consumption.

3.1.1 Triangulation

Additional data was obtained from exit interview transcripts, which can provide information on reasons that individuals leave and indirectly reasons for them remaining with the organisation (Brown & Hesketh, 2004). The rationale for using multiple sources of data is the triangulation of evidence (Koyana, 2007). Triangulation is a tool which facilitates the validation of data by cross verification from two or more sources. This affords researchers a mechanism of converging data from different sources, and establishes the credibility of qualitative analyses (Willig, 2008). The pivotal objective in employing triangulation is to ascertain the consistency of data sources, and hence increase the validity of the study. Perry (2001) recommends this methodology as the benefits of triangulation involve each source complementing the other.

Whilst largely beneficial, the exit interview transcripts were used with caution as such information is often inaccurate, unreliable or incomplete. Talent often want to leave on a positive note and may provide misleading input, to avoid “burning bridges”, for fear of retaliation or negative references. They may advise that working conditions are satisfactory but that they received an offer they could not refuse. Reliable feedback may not be possible in an environment where trust is non-existent.

Further data was extracted from strategy sessions held within the organisation as well as documents related to the mission, vision and talent retention strategies.

3.2 Research Design

While the research was qualitative, the researcher attempted to validate and qualify data by means of content analyses and by virtue of triangulation (Koyana, 2007; Perry, 2001; and Willig, 2008). The multifaceted approach of triangulation enabled a richer more comprehensive understanding of the factors impacting the retention of talent (Kalof, Dan, & Dietz, 2008). The research embodied multiple data collection techniques such as conducting in-depth semi-structured interviews; presenting respondents with a rank order questionnaire; analysing on-boarding and exit interview data; reviewing company retention strategies and policies as well as the statistics linked to turnover at the management consulting firm.

Bryan and Bellman (2003) purport that the triangulation of data results in a stronger research design thus enabling more valid and reliable findings. Additionally, the inadequacies of individual methods are minimised and threats to internal validity are recognised and addressed. Despite the advantages, triangulation is often expensive and time consuming. Due to the diverse data sources and rich content acquired, the researcher was more confident of results and credible conclusions were attained.

3.2.1 Ethical Issues

The following actions were undertaken to ensure that the research was ethical and sound:

- Informed consent was garnered from all respondents.
- All respondents were anonymous and their rights to privacy and confidentiality were respected.
- To ensure consistency, the researcher adhered strictly to interview

protocol and ensured that all information was accurately and truthfully represented and communicated by using the model of triangulation (Leedy & Ormrod, 2001).

3.3 Population and Sample

3.3.1 Population

The population of this research were individuals identified as talent across all business units and service areas, including talent who had recently exited the organisation. Please see below for the definition of talent.

3.3.2 Definition of Talent

Talent can be encapsulated as the top performing 10-15% of individuals within the organisation, who display knowledge, skills, behaviours, personality attributes, emotional intelligence and personal ethics that align with the strategic objectives and culture of the organisation (Davenport, 2005; Duffy, 2007; Morton, 2004; O'Neal & Gebauer, 2006). They are efficient and effective at producing results and are competent and willing to perform more senior roles at executive levels, given their level of emotional maturity.

For the purposes of this study, talent was defined as all employees who were ranked as exceptional performers (EP’s) and higher performers (HP’s) as per the previous annual performance appraisal. This talent population included employees at all levels within the organisation, namely: Analysts, Consultants, Senior Consultants, Leads (Managers), Executive Leads (Senior Managers), Associate Directors and Directors.

The organisation under study (Company Z) is regarded as one of the top organisations in the world for developing leaders. The firm is further recognized in the market, and by staff for their distinctive talent experience. They define talent as per 4 categories in figure 10:

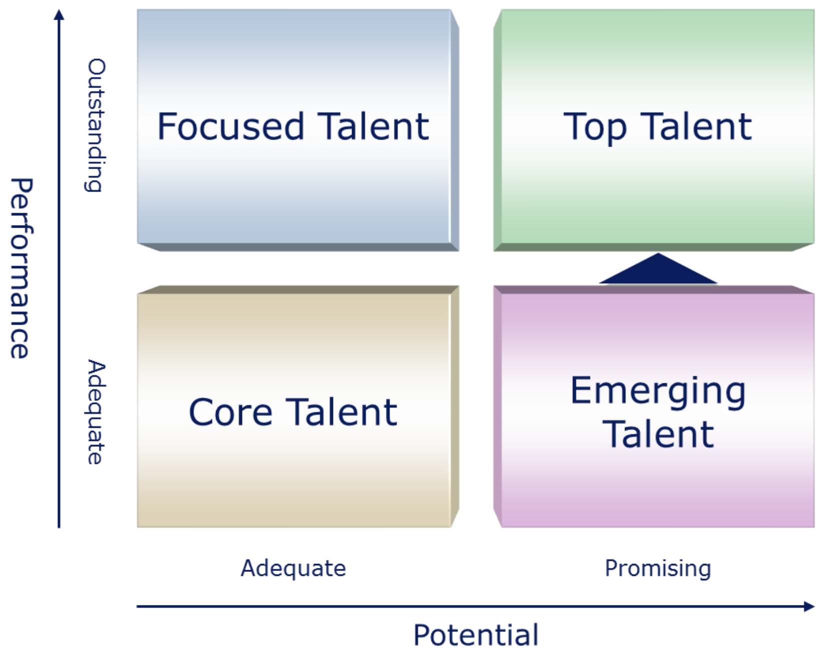

Figure 10: Delineation of Talent (Company Document)

- *Top talent* are individuals currently in leadership positions. The business depends on this talent for the achievement of their strategy and leaving would create sustainability issues.

- *Emerging talent* are future leaders as they have demonstrated the potential to develop into key leadership roles. They require nurturing and coaching to deliver at their potential.

- *Focused talent* are professionals or specialists who are critical to business success. Their combined skills and competencies make it challenging to replace them and their exit would cause a serious gap in the firm service offering.

- *Core talent* are top performers and the 'backbone' of the business. Their main objective is promotion and climbing the corporate ladder.

For the purposes of this study, the sample constituted a mix of top talent, focused talent and core talent; emerging talent was excluded from the sample as they did not meet the criteria.

3.3.3 Sample and Sampling Method

The sample interviewed consisted of all Heads of Service Areas and executives; employees who are identified as talent; as well as those individuals classified as talent who no longer work at the firm.

The purpose of sampling is to enable researchers to make inferences about a population based on this sample. Purposive sampling was employed as the experts and talent identified were known to the researcher, and relevance was more crucial than representativeness (Perry, 2001). While it is acknowledged that non-probability sampling may introduce a human bias during the selection process that may result in some members of the population being chosen over others (Bryman & Bell, 2003); this was the most appropriate mechanism of sampling due to time constraints and availability of managers and executives.

This study posits 3 samples: 1. Management and Executives; 2. Talent employed at the organisation and; 3. Talent that has recently exited the organisation. It was decided to include talented ex-employees as the researcher felt that it would provide a comprehensive outlook and an additional stratification on why key talent stays. These individuals were also known to the researcher and could be relied upon to provide truthful, candid responses. They were not intimidated by any negative feedback being presented to the firm and this provided a fresh perspective that was not skewed by pressure to provide ‘safe’, politically correct answers. Information from their interviews was contrasted with exit interview transcripts from the organisation in order to provide meaningful results.

A sample size of 36 was chosen as this was large enough to ensure adequate representation of the population as well as to establish meaningful results. This is aligned with Perry (2001), who posits that a valid sample size ranges from 10 to 60. The different service areas were sampled as a means of increasing generalizability of the findings, and mitigating effects of a biased sample. Garnering a large sample size may enable a more accurate representation of what is occurring within the organisation (Creswell, 2003). In addition, this may be illustrative of talent retention challenges other management consulting firms are experiencing.

Respondents	Number to be sampled
Sample 1: Management and Executives	13
Sample 2: Individuals identified as Talent	19
Sample 3: Talent that has recently exited the organisation	4
TOTAL	**36**

Table 14: Profile of Respondents

3.4 The Research Instrument

The semi structured interview approach was adopted here as it allowed for the broad exploration of the determinant factors of talent retention, whilst allowing the researcher to drive the questions (Willig, 2008). Further the researcher was able to gauge rich meaningful data from participants' perspective (Kalof et al., 2008) as talent retention is a high priority agenda item for management and the researcher is known to top executives and the management team. The hindrances of these interviews are that they are time consuming and expensive. This is especially pertinent given that management consultants bill per hour and this would have been considered lost billing hours for talent. Due to the highly sensitive nature of the discussion, anonymity and confidentiality was guaranteed by the researcher. Table 15 depicts the benefits and drawbacks associated with interviews:

Advantages of Interviews	Disadvantages of Interviews
• Utilising probing questions to clarify issues • Presents a holistic view of participants’ responses (body language, facial expressions and mood) • Higher rate of participation and cooperation	• Responses may not be truthful • Interviewees may be reluctant to share/disclose certain information • Interviewees may incorporate personal biases into the discussion

Table 15: Advantages and Disadvantages of Interviews (Leedy & Ormrod, 2001)

Moreover, the authors purport that face-to-face interviews have the distinct advantage of allowing the researcher to observe respondents during the interview process. Their facial expressions, body language, mood, tone and other observations proved imperative in understanding the interviews holistically and served to alert the researcher to dishonest feedback.

The interviews were followed by content analysis. The administration of a rank ordered questionnaire was used to ascertain the factors determining the retention of talent. Creswell (2003) posits that descriptive statistics are employed to describe fundamental features of data in a study, by providing simple summaries about the sample. This was used to substantiate the information obtained from interviews and other data sources.

3.5 Procedure for Data Collection

The organisation’s CEO consented to the research being conducted at this site as the retention of talent is top of mind for the firm. A letter was sent from the CEO to the top management teams and executives, notifying them of this study, requesting their full support, cooperation and to avail themselves for interviews should they be contacted. This ensured a greater response rate and hopefully honest and accurate responses due to the high priority of this research topic.

While interviews were the predominant means of gathering data, respondents were also asked to rank a table of retention factors derived from the literature reviewed. Additional quantitative and qualitative organisational data was used to validate the data – thus adhering to the principle of triangulation, and minimising the possibility of skewed results.

Pre-emptive management was employed during the sessions to avoid bias. This incorporated standardised questioning, a formal tone and overall management of the interview process. The researcher proactively avoided bias as she conducted the interviews in a similar and consistent manner. Each respondent was afforded the same levels of respect and enthusiasm; hence maintaining a professional demeanour at all times. Subject matter expertise and in-depth, proficient interview skills were used to effectively explore and probe responses when required.

3.5.1 The Interviews

The research question was investigated by the use of semi-structured in-depth interviews. Face-to-face interviews were conducted to probe the themes of talent retention as identified in the literature review. This was an apt and appropriate fit as the basic structure was adhered to, whilst simultaneously allowing a degree of flexibility for delving into specific issues and insights that arose (Duffy, 2007). The researcher explored these areas in detail to ascertain clarity as required, in addition to garnering data that was rich in content.

The interview structure was printed and hand written notes taken during the interview process, as well as post interview (including interview observations) to ensure a comprehensive overview and complete collection of data. The researcher decided against recording interviews as this may intimidate respondents and they would be less willing to divulge private, confidential and perhaps controversial information. The interview began with a brief introduction of the researcher and the subject matter under investigation.

3.5.2 Interview Questions

The interview questions (refer to Appendix A for the list) were formulated based on themes identified in the literature review as per Table 12. Questions were framed in a concise, succinct manner that followed a logical sequence; they were stated clearly and simply, thus minimising the likelihood of ambiguity. The interview was designed to last an hour in duration, due to time constraints experienced in a consulting environment, especially pertinent to senior management and leadership. This also served to keep the interview focused, whilst allowing the researcher ample time to develop and maintain rapport with the respondents. In addition, respondents were asked to rank a list of talent retention factors derived from the literature review.

3.6 Data Analysis and Interpretation

A themed content analysis was performed on all the data gathered. This was considered fitting as the researcher sought and identified common and recurring themes in the data collated from the semi structured interviews (Leedy & Ormrod, 2001). These authors further posit that a content analysis is appropriate for a methodical investigation that will result in the identification of themes, models or preconceptions of a given subject area.

Upon assessment of the interview notes, themes were identified and tabulated. Patterns in the data were established from which common factors across respondents were synthesized (Creswell, 2003). The internal validity was reinforced by this rationale of pattern matching. The perceived importance of each of the factors was verified by conducting descriptive analyses on the rank order questionnaire. These findings were converted to provide succinct and sound results.

3.6.1 Rescaling Partial Rank Ordered Data

Stacey (2006) asserts that employing rank ordering requires complex and rigorous analysis, yet this is independent of a response scale and is instinctual for respondents as it aligns to the issues and the environment.

Consequently, statistical analysis is either limited to relatively simple descriptive statistics, or is flawed in the appropriate application of parametric statistics which assume at least interval level data. Because the data is ordinal, there is no evidence to suggest that the magnitude between consecutively ranked items is equal. This author affirms that the interpretation of invalid underlying assumptions yields incorrect conclusions; hence the data needs to be normalised.

Stacey's (2005) "shotgun stochastic" algorithm was deemed the most fitting tool in rescaling the rank ordered data and allowing for meaningful results to be drawn. This computer intensive algorithm estimated the means and standard deviations of rank ordered data by rescaling and normalising the ranked responses. This enabled valid content analyses to be conducted and the researcher was able to decipher the importance of the retention factors ranked.

3.7 Limitations of the Study

3.7.1 Methodology Limitations

- The use of ordinal data has its limitation in that the degree of difference between one point and another in the scale is not necessarily equal (Stacey, 2006).
- Stacey (2005) further affirms that ordinal data may not reflect the measurement scale correctly, as it assumes a linear relationship with the underlying criteria. This could be rectified by rescaling the data but it would not guarantee the reliability and validity of data.

3.7.2 Sampling Limitations

- Sampling biases can be expected as a result of the proposed sampling method. A sampling bias is the difference between the observations from the sample and those that would be observed if the whole population were used (Kalof et al., 2008).

- Because a random representative sample was not used, results of the study cannot be generalised to all talent in management consultancies in South Africa.
- While the sample size was relatively large, the research was exploratory in nature. The results were based on respondent's opinions and hence cannot be extrapolated to other industries or sectors.
- A single case site was investigated, and results could be skewed to reflect the culture and modus operandi of this particular firm.
- Self-selection sampling reduced the external validity of the research. This researcher is cognisant of researcher bias and endeavoured to remain objective at all times.

3.8 Validity and Reliability

"Validity is concerned with congruence or a goodness of fit between the details of the research, the evidence, and the conclusions drawn by the researchers" (Kalof et al., 2008, p. 156). This author defines reliability as the amount of credence placed on the results of a study. When consistent findings are revealed time and again in repeated applications of the research, the findings of the study under question are considered to be reliable. Thus reliability and validity have to do with the consistency of research results and with the congruence between details of the research and the details drawn by the researchers.

3.8.1 External Validity

External validity is the extent to which the results of an investigation may be generalised to the population as a whole, and to other populations, settings, measurement devices (Kalof et al., 2008). External validity usually depends on the adequacy of the sample.

The sampling method used in this research was non-probabilistic and can therefore not be claimed to be representative of the population of talent workers in the management consulting sector. As the research was conducted at a single organisation, the results may not be widely transferable to other management consultancies or organisations outside of consulting. Hence garnering a large sample size enabled a more accurate representation and the widely established construct of talent retention may be applied across industries employing talented knowledge workers in South Africa. Therefore, 36 top management executives, talent and talented ex-employees were interviewed; maintaining a sample size greater than 30 for the results to be significant.

3.8.2 Internal Validity

Internal validity refers to the extent to which the outcome or result of a specific research study or test is a function of the variables that are measured, controlled or manipulated. When a study is internally valid, it means that "the study is drawing appropriate conclusions from the data at hand" (Kalof et al., 2008, p. 156).

Internal validity can range from high to low, and is highest when confounding variables within the study or test are eliminated. This study is considered to be internally valid due to the researcher drawing apt deductions from the data gathered and employing triangulation to corroborate the results obtained. An interview guideline and structure was created to maintain internal validity. While purposive sampling was employed to select respondents, it was decided to interview a large sample size (36 respondents) to mitigate this bias. This data was validated by the use of triangulation of multiples sources of information from the organisation. Leedy (2001) affirms that findings will only be conclusive if this data is congruent and consistent.

3.8.3 Content Descriptive Validity

An investigation of 3 sets of samples were undertaken to validate the data gathered, and to assess whether the content derived was a true reflection of what it was designed to measure (Wolfaardt, 2001). Respondents were chosen given their subject matter expertise in this area, as well as by the identification of their performance that ranked them as talent; and this was reflected by the sample-population representativeness. Content validation was established by comparing the responses of management, talent and talent that had recently exited to the talent retention literature reviewed.

3.8.4 Face Validity

Face validity is a subjective measure (Leedy & Ormrod, 2001) as it ascertains whether the research instrument looks like it is measuring what it was intended to measure. In this study, face validity refers to how the respondents experienced the interview; specifically if they perceived that the interview questions were accurately designed to measure the retention of talent. As a result, the researcher had the interview questions and structure assessed by three independent experts. These experts did not present any negative feedback and confirmed the face validity of the questions. Interviews only commenced when the experts affirmed that this interview design and content achieved face validity. If respondents believe that the measure is unbiased and appropriate, they will be satisfied with the results, regardless of the outcome (Trochim, 2002).

3.8.5 Construct Validity

Construct validity evaluates whether an instrument measures specific characteristics or constructs that cannot directly be observed (Creswell, 2003). This research aimed to determine the factors impacting the retention of talent and validate these against what was evidenced in the literature review. The construct to be assessed was hence the factors determining talent retention (Wolfaardt, 2001). The correlation of the responses and theory illustrate construct validity.

3.8.6 Reliability

A reliable measure is defined as one which yields the same or similar results consistently when repeated (Kalof et al., 2008; Trochim, 2002). The researcher had employed 3 sets of samples to ensure reliability of the results. With the changing world of work, one would not expect to yield precisely the same results should the study be conducted at a later stage.

3.8.8 Internal Consistency Reliability

The researcher employed the same questions to all respondents in the same enthusiastic and engaging manner. This maintained consistency and uniformity of all interviews conducted (Trochim, 2002). In order to maintain reliability, the researcher conducted all interviews; maintained a consistent approach during the: interview process, collation of data, and with the interpretation and analysis of findings.

3.9 Conclusion

The qualitative methodology used enabled a comprehensive exploration of the factors that determine the retention of talent. The face-to-face interaction with the researcher eliminated the possibility of ambiguity as the researcher was able to clarify questions or definitions and/or terminology as required. This study implemented a two pronged approach, where the interviews initiated the research process, preceded by a second stage of statistical analysis to validate the factors impacting the retention of talent.

The research embodied multiple data collection techniques such as conducting in-depth semi-structured interviews; presenting respondents with a rank order questionnaire; analysing on-boarding and exit interview data; reviewing company retention strategies and policies as well as the statistics linked to turnover at the management consulting firm. The sample size was large enough to be representative, and this triangulation of data increased the validity of the study.

The semi structured interview approach was adopted here as it allowed for the broad exploration of the determinant factors of talent retention, whilst allowing the researcher to drive the questions (Willig, 2008). Further the researcher was able to gauge rich meaningful data from participants' perspective (Kalof et al., 2008) as talent retention is a high priority agenda item for management and the researcher is known to top executives and the management team.

The interviews were followed by content analysis. The administration of a rank ordered questionnaire was used to ascertain the factors determining the retention of talent. This was used to substantiate the information obtained from interviews and other data sources.

The researcher proactively avoided bias as she conducted the interviews in a similar and consistent manner. Subject matter expertise and in-depth, proficient interview skills were used to effectively explore and probe responses when required.

The research question was investigated by the use of semi-structured in-depth interviews. Face-to-face interviews were conducted to probe the themes of talent retention as identified in the literature review. This was an apt and appropriate fit as the basic structure was adhered to, whilst simultaneously allowing a degree of flexibility for delving into specific issues and insights that arose (Duffy, 2007). The researcher explored these areas in detail to ascertain clarity as required, in addition to garnering data that was rich in content.

Questions were framed in a concise, succinct manner that followed a logical sequence; they were stated clearly and simply, thus minimising the likelihood of ambiguity. In addition, respondents were asked to rank a list of talent retention factors derived from the literature review. The perceived importance of each of the factors was verified by conducting descriptive analyses on the rank order questionnaire. These findings were converted to provide succinct and sound results.

CHAPTER 4: PRESENTATION AND DISCUSSION OF RESULTS

The results and analyses of the research outcomes were incorporated into a single chapter to avoid repetition. This study sought to ascertain the determinant factors that retain talent within a management consulting firm in South Africa. The research methodology employed was qualitative; the researcher conducted in-depth interviews, and the respondents also ranked the 10 retention factors as identified in the literature reviewed (refer to table 12 depicting the matrix of retention factors). The findings are assessed and presented in this chapter.

4.1 Introduction

The purpose of this chapter is to critically evaluate the research outcomes. The primary aim of this study was to determine the factors that led to the retention of talent at a management consulting firm in South Africa. Figure 11 details the process followed in determining the talent retention factors:

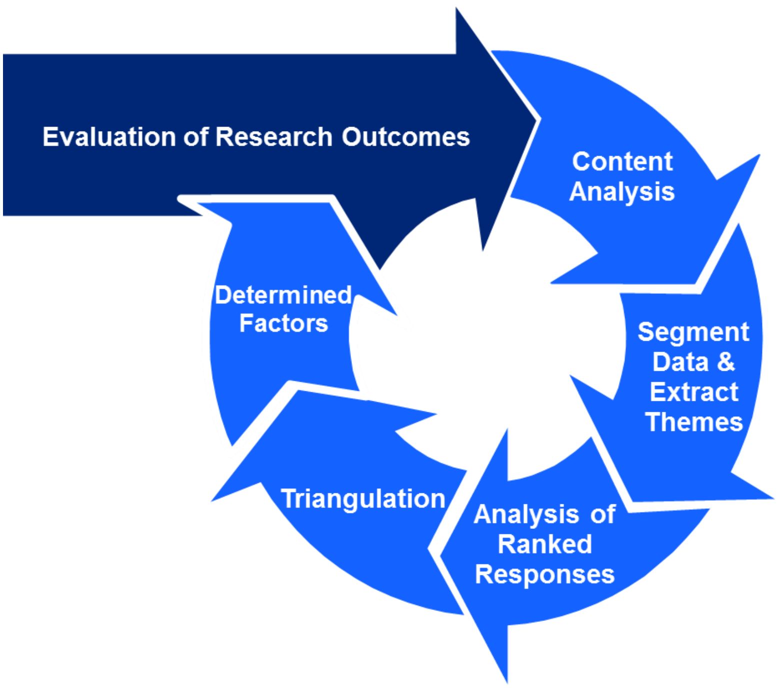

Figure 11: Determination of Results

Content analysis, adopting a thematic approach was the method employed to analyse the data obtained from the in-depth interviews. The researcher used themes and variables from the literature reviewed to segment the data and draw themes to extract the factors that impact the retention of talent.

Triangulation was used to confirm and support the findings of the main study. This was applied to allow the researcher a mechanism of converging data from multiple sources. Data from the diverse and varied sources were compared and analysed to verify the findings of the in-depth interviews. This enabled more valid and reliable results (Perry, 2001) by addressing threats to internal validity. To further improve the validity, ex-employees identified as talent were included in the sample interviewed. This qualified the stratification of data and further confirmed the factors impacting the retention of talent.

The sample represents influential and connected individuals who are specialists and experts in their respective fields. Taking cognisance of their views and opinions would assist organisations in garnering a competitive advantage by retaining their most valued asset, that is, their talent.

4.1.1 The Research Organisation

This firm (Company Z) provides professional services, employing 3 800 people in the 9 offices in South Africa and around 194 000 globally. Only the Johannesburg office was investigated as per the delimitations of this study. The mission of this organisation is to help clients and employees excel and the vision is to be regarded as the Standard of Excellence. This firm believes that being a talent magnet and adopting a talent mind-set differentiates them as a world class entity, as depicted in figure 12. “The world’s most coveted talent are drawn by our eminence, culture and diversity” (Company Z website).

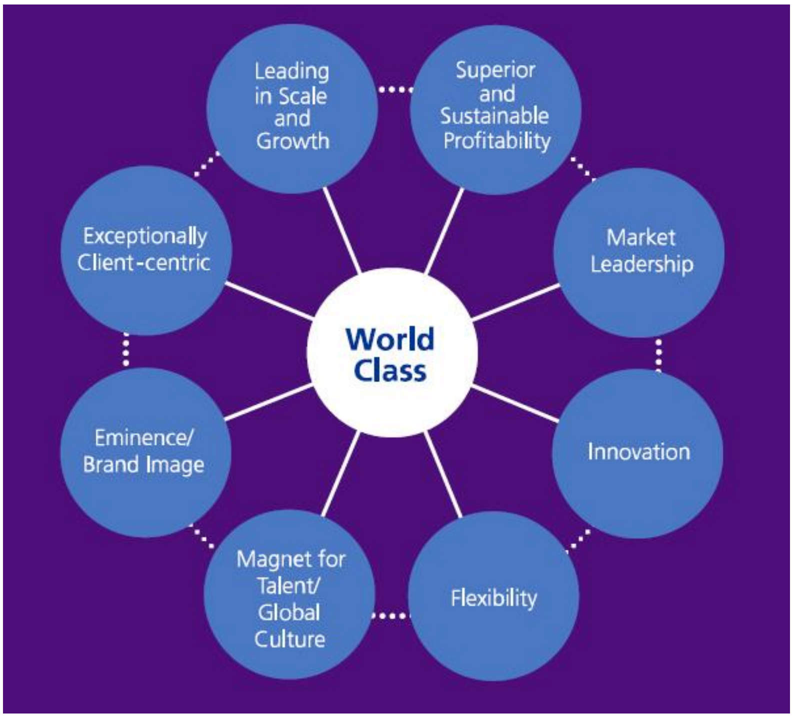

Figure 12: Company Z Vision (Company Z document)

4.2 Demographic profile of respondents

In terms of gender, 67% of all samples interviewed were male and 33% were female. This is consistent with the population of consulting which is a predominantly male environment.

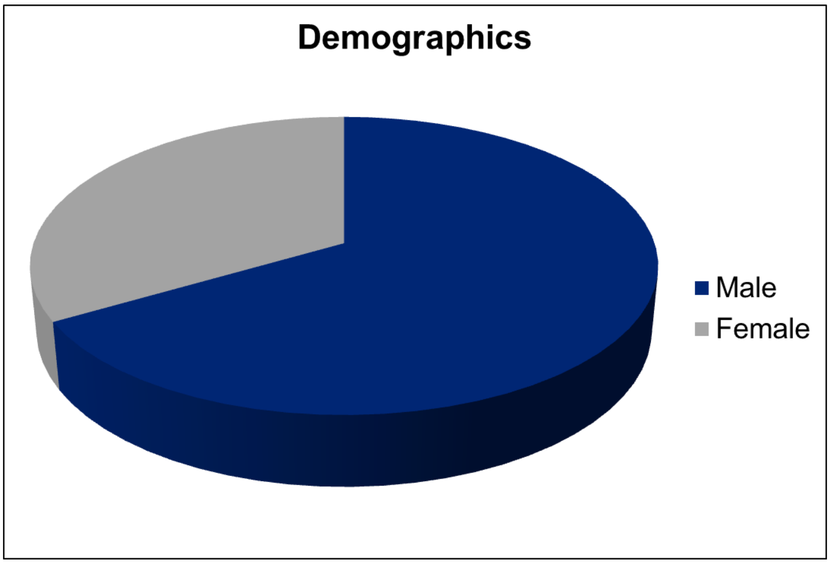

Figure 13: Gender Demographic

The average age of consultants lie within the 31-40 age bracket, which aligns with the talent profile of management consultants in South Africa.

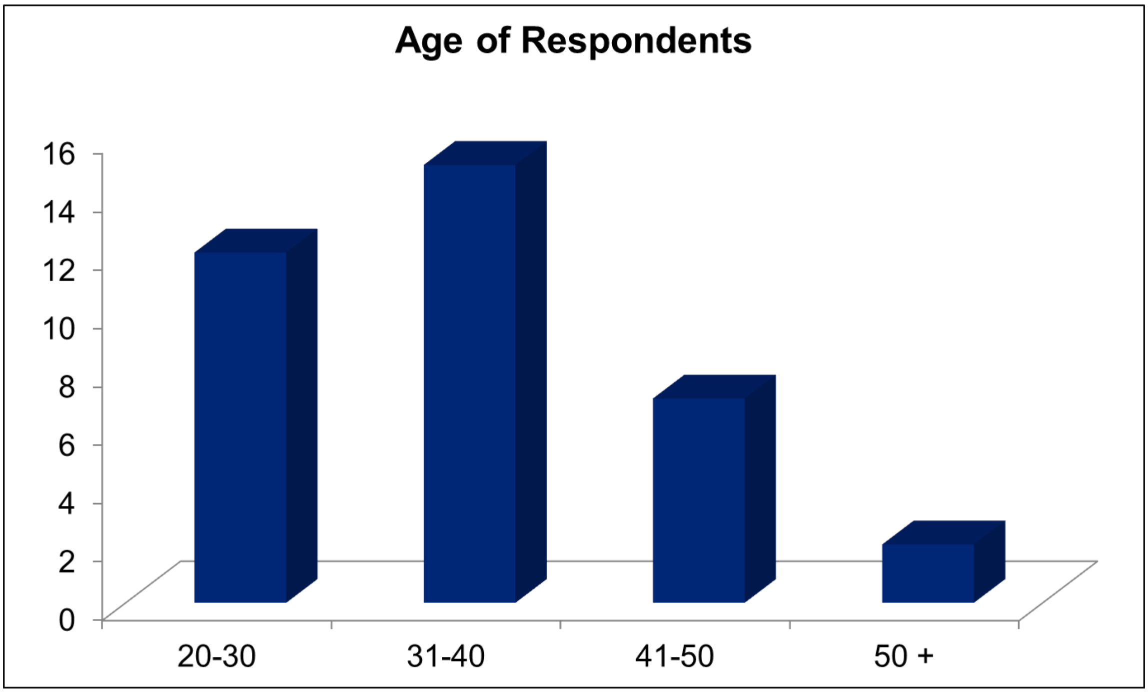

Figure 14: Age of Respondents

The total number of years employed adequatley reflects the population, given the average age of respondents. The varied spread indicates that the business has predominantly Leads (Managers), Executive Leads (Senior Managers), Associate Directors and Directors with greater than 11 years working experience. Analysts and Consultants with less than 5 years of experience are at the other end of the spectrum. Consulting environments usually adopt a pyramid structure, with Directors at the top and Analysts and Consultants being the majority at the base. Company Z seems to be “top-heavy” with the vast majority of attrition at the Analyst and Consultant levels.

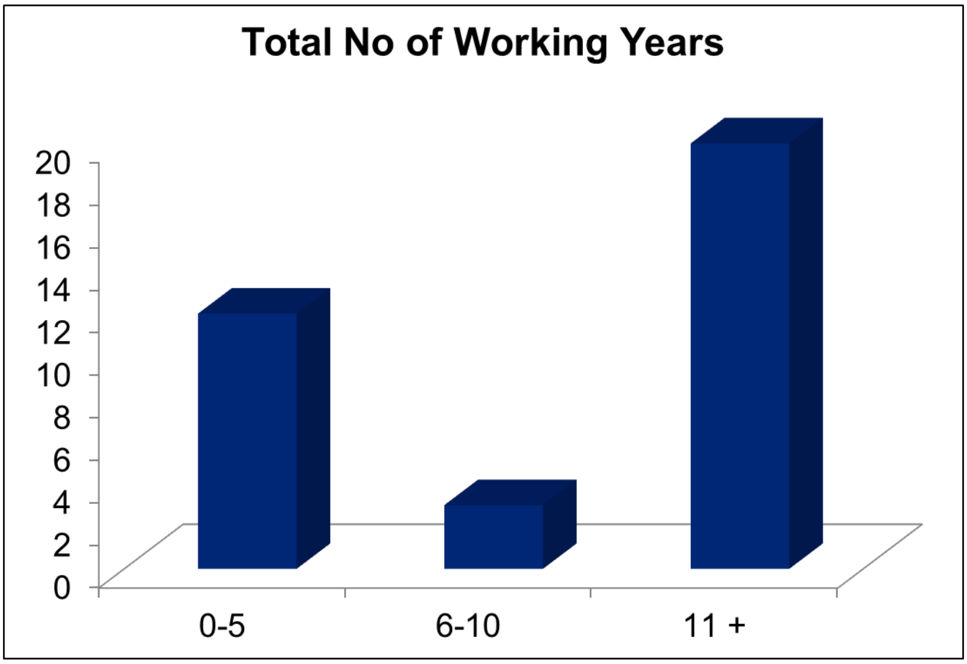

Figure 15: Total Number of Working Years

The educational level was skewed towards a master's degree, with 20 respondents from the 36 holding this qualification, representing 55% of the population. This is consistent with degrees expected of this high achieving profile, with a primary degree being the minimum criteria for entry into this organisation.

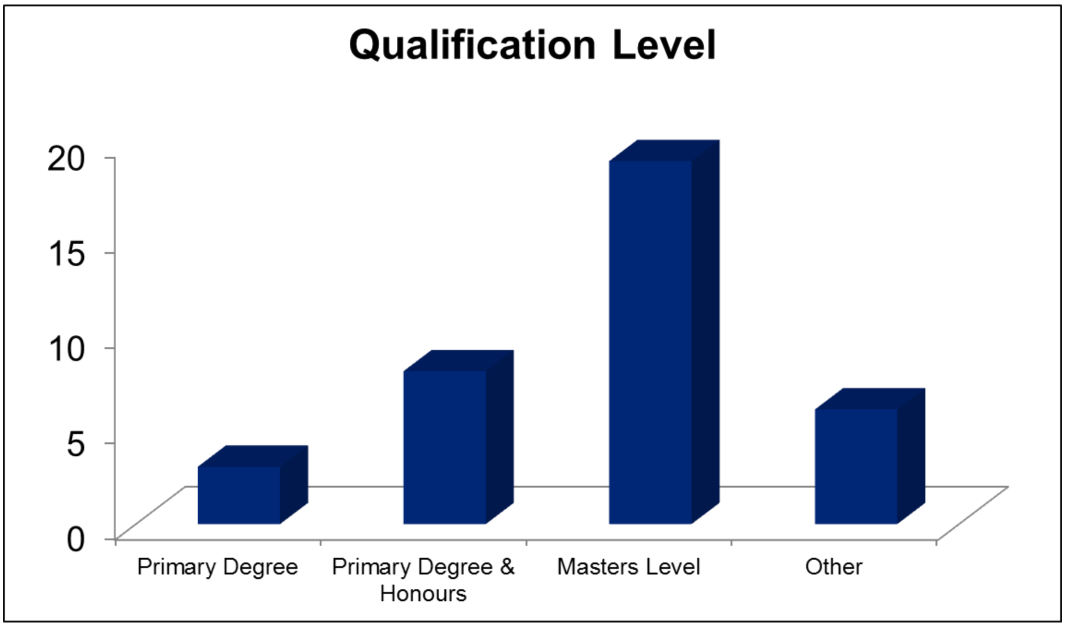

Figure 16: Qualification Level

4.3 Results pertaining to the Retention of Talent

4.3.1 Talent Groupings

Interviews were conducted with 3 distinct groups of respondents, namely: Management and Executives; Talent and Talent that had recently resigned, as per Table 14.

Respondents	Number sampled
Sample 1: Management and Executives	13
Sample 2: Individuals identified as Talent	19
Sample 3: Talent that has recently exited the organisation	4
TOTAL	**36**

Table 14: Profile of Respondents

According to the responses from interviews conducted, as well as the triangulation of exit interview data, the following results were ascertained. The key issues with Analysts and Consultants are focused on competitive remuneration; a more pronounced distinction in rewarding high performance; opportunities for growth, development and international travel. These talent further expressed a strong desire for formalised mentoring, coaching and guidance; and greater face time with leadership. In addition, there was a disparity between their career aspirations and alignment with project allocations.

Managers and Senior Managers cite a perceived lack of direction and support from leadership; as well as an unnecessary amount of time spent on administrative tasks which are deemed to be a chore. There is a wide perception that sales are the ultimate determination of performance, suggesting that expectations are too broad and key metrics need to allow talent to focus on developing their strengths and honing their expertise. As per strategy sessions and exit interview data, Table 16 summarises the reasons for talent retention as well as the reasons for their exit:

Level	What makes them STAY	What will make them LEAVE
Analysts	Opportunities for learning, development and growth	Consumed with administrative tasks
	High performance culture	Not using core skills on projects
	Working with knowledgeable colleagues	Not competitively remunerated
Consultants	Opportunities for learning, development and growth	Mundane work and lack of recognition
	High performance culture	Lack of career progression
	Exposure to a variety of projects and industries	Not competitively remunerated
	Utilizing core skills and competencies	Extended period of poor people management on projects
	Working with knowledgeable colleagues	
Senior Consultants	High performance culture	Bench time (time not allocated to a project)
	Team work that results in exceptional delivery	Lack of growth and development
	Working with knowledgeable colleagues	Projects not aligned to individual growth plans and career aspirations
	Faced paced environment and interaction with leadership	Micro management
Leads (Managers)	Intellectually stimulating and challenging work	Mundane work and lack of recognition
	Working with knowledgeable colleagues	Lack of opportunities to further develop core skills
		Not competitively remunerated
		Lack of direction from leadership
Executive Leads (Senior Managers)	High performance culture	Lack of career progression
	Intellectually stimulating and challenging work	Projects not aligned to individual growth plans and career aspirations
		Not feeling like they belong to a winning and meaningful team that is dedicated to a common goal

Table 16: Reasons for Talent Retention and Attrition

As illustrated by table 16, the key retention issues include: lack of competitive remuneration; a disconnect with leadership (as talent seek greater interaction with and direction from leadership); lack of career progression; mundane work; lack of recognition and poor people management. Talent do perceive Company

Z to encompass a high performing culture, talent are afforded opportunities for learning, development and growth and talent highlight working with knowledgeable colleagues as some of the reasons for their retention.

A key finding of this study indicates that a better business outcome can be achieved by higher levels of talent engagement and retention. Studies from the Gallup Organisation (Towers Perrin Global Workforce Study, 2005) indicate that engaged talent are more productive, client centric, and are more likely to remain with the employ of their firm. The attrition of talent encompasses hidden costs, which can drain the firm, such as lost productivity and time for new employees to on- board.

4.4 Results ascertained from the ranking of talent retention factors

Interviews were the prime body of evidence in this study, and the tables have been used as a means of ordering the factors that retain talent. The table is thus not the outcome of the research. The stochastic shotgun approach revealed the following:

No	Ranked Factors: Current	Means: Current	No	Ranked Factors : Ideal	Means: Ideal
1	Career and Personal Development	0.5779	1	Career and Personal Development	0.8293
2	Challenging and Meaningful Work	0.5177	2	Challenging and Meaningful Work	0.4216
3	Culture	0.3745	3	Leadership Development	0.1720
4	Managerial Impact	0.1207	4	Recognition	0.1225
5	Reward	-0.0405	5	Reward	0.1116
6	Recognition	-0.0460	6	Work Life Balance	0.0720
7	Capacity for Autonomy, Flexibility and Independence	-0.0537	7	Managerial Impact	-0.0121
8	Leadership Development	-0.1611	8	Culture	-0.0561
9	Work Life Balance	-0.4472	9	Capacity for Autonomy, Flexibility and Independence	-0.2076
10	Fair and Transparent Employment Practises	-0.8424	10	Fair and Transparent Employment Practises	-1.3444
	Standard Deviations	0.9240		Standard Deviations	0.8608

Table 17: Stochastic Shotgun Results

The means are based on rank ordered data as ranked by the respondents. The higher means indicate higher scoring; hence values closest to 1 indicate a higher priority rating given by the respondents. Negative means indicate that the variable is less than the overall mean, and as such lower values indicate lower priority, as perceived by the respondents.

The results show that career and personal development ranks highest followed by challenging and meaningful work for both the current environment and the future ideal state. Fair and transparent employment practises ranked the lowest for the current and the future ideal state, which is consistent with interviews conducted. While reward and recognition appear to not rank highly, this is inconsistent with interview data as respondents placed a greater emphasis on these variables, as opposed to career and personal development; challenging and meaningful work; and culture. There are vast differences with respect to the rankings of leadership development (-0.1611 compared to the 0.1720 of the ideal environment), recognition (-0.0460 vs. 0.1225), reward (-0.0405 vs. 0.1116), work life balance (-0.4472 vs. 0.0720), managerial impact (0.1207 vs. -0.0121), culture (0.3745 vs. -0.0561), as well as the capacity for autonomy, flexibility and independence (-0.0537 vs. -0.2076). The table illustrates the first 2 factors as identical and there is agreement that career and personal development is the most pivotal factor in both the current and ideal states. Challenging and meaningful work was ranked 2nd in both current and ideal states, also depicting the alignment of respondents' priorities. However, a disparity exists with the remaining factors, and this demonstrates the mismatch between what talent are currently experiencing at the organisation in comparison to what they value.

4.5 The Attraction of Talent

The successful retention of talent is directly correlated to the attraction of talent. A first step in determining the reasons for the retention of talent was to understand why they were attracted to the organisation. The factors that attract talent to an organisation and the positive experience of these factors within their employ are often leading indicators of why they stay.

The largest pull factor appears to be the brand equity of the organisation, and this aligns with views presented in the literature review (Cheese et al., 2007a; Duffy, 2007; Holleran, 2008; Marais-Swanepoel, 2009).

Figure 17 provides a synopsis of the factors attracting talent to this organisation:

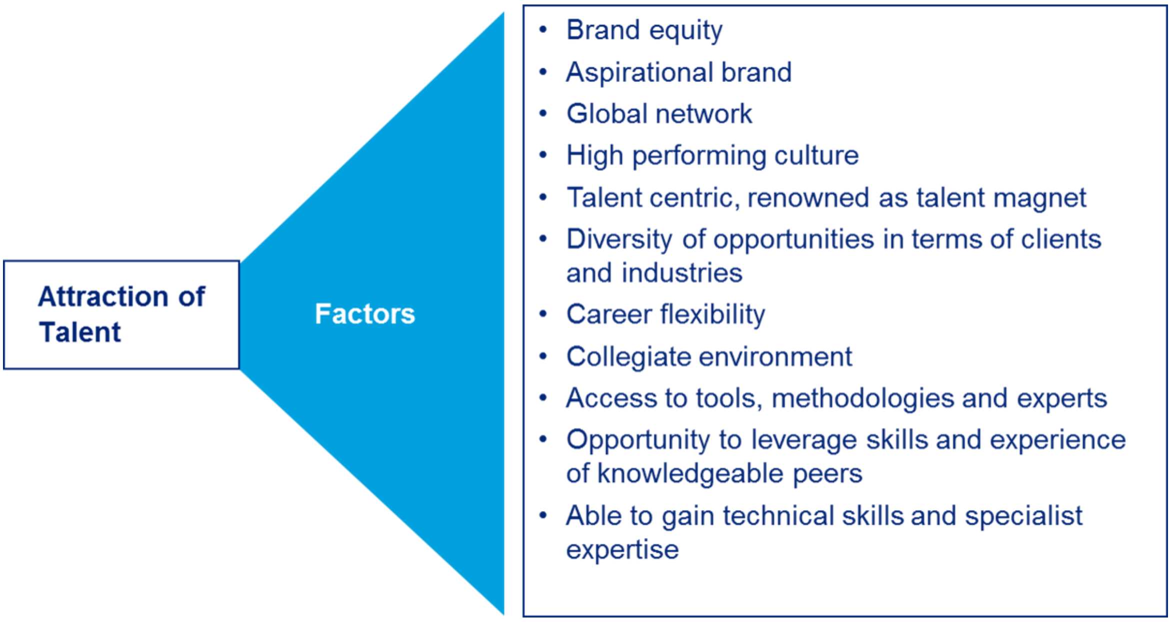

Figure 17: Talent Attraction Factors

This firm is well established in the consulting arena and has a good reputation in the marketplace. All 36 respondents noted that the prestigious power of the premium brand attracted them to this organisation. This organisation is recognised as a talent magnet in the market; and talent associates this firm with an aspirational brand (Cheese et al., 2007a). As per the profile of the organisation; they are acknowledged as global thought leaders in management consulting.

At the Analyst and Consultant levels, talent is attracted by the learning and experiential opportunities where they are encouraged to develop core consulting skills; and where experience is of greater value than tangible rewards. These Analysts and Consultants use this opportunity as a stepping stone in their career paths, while senior talent carve a career out of management consulting. Managers and Senior Managers are attracted by job security; lower risk of tenure; and a greater emphasis is placed on the high performing environment. At the higher levels, remuneration is not an issue, if talent is willing to put in the time and effort, they are amply rewarded. Leaders are actively encouraged to balance work obligations and their personal commitments.

In summary, from the interviews conducted, the top reasons that talent is attracted to Company Z are: the access to key clientele, the powerful brand and values of this global organisation. There is a strong reference point to a broader alumni, global network, and highly credible people. The quality of people, skills, experience and competence is expected at a top tier consulting firm. The calibre and quality of colleagues and clients are pivotal factors in attracting talent. There is recognition of diversity in the talent pool; talent are surrounded by smart colleagues and one often aspires to the skills and talent around them.

4.6 Talent Retention Strategies

4.6.1 Mechanisms to understand what talent want

The retention of talent is impacted by the extent to which organisations have platforms where talent can voice their concerns. Management can only improve the turnover rates and encourage talent to remain if they have a good grasp of the wants and needs of their prime talent.

There is a premise that the brand speaks for itself and is powerful in attracting and retaining talent, but this view has come under attack. According to ***Respondent 2***, an Associate Director, while there are mechanisms in place, these are not being adhered to. There appears to be a disconnect between what talent wants and what management believes talent wants. Talent feel boxed in and that the internal initiatives are neither successful in retaining talent, nor in adding value.

Informal mechanisms include a counselling process which is good but over-engineered; upward feedback; networks and relationships built with management. Exit interviews and stay interviews, which were conducted to understand what makes talent remain at Company Z, comprise more formalised tools. It was suggested that the firm use data and results from “The Best Company to work for” surveys and to assess industry trends as a stronger mechanism of retaining talent.

The majority of respondents affirm that while there are numerous surveys conducted, these are not “mined” to their optimal potential. There should be an action plan that stems from the results established. Surveys are effective in: salary benchmarking; peer reviews of competition; frontline research in clarifying theoretical concepts. However, these surveys merely provide a good barometer and highlights issues. Management needs to be exceptionally strong to inform business of these issues and to implement strategies to mitigate these matters. It is thus imperative for leaders to be connected to talent and their engagement is pivotal in this process ***(Respondent 5 – a Senior Consultant),*** and further in the retention of talent.

Once attracted, little effort is expended in trying to retain talent; there is minimal investment at the Analyst and Consultant levels. The current system and processes are not designed to drive interaction with talent. The new world of work requires leadership to embrace social media in order to connect and engage with talent. Talent do not feel that there is a platform for their views to be heard. There is a perception of friction between individual career aspirations and organisational goals. Leadership had recently made a decision to encompass simpler means to connect to talent and engender a sense of belonging and purpose, which may motivate talent to remain with Company Z. This is vital as choices are made on a personal level and can directly impact the retention of talent.

The current mechanisms are not substantial and do not offer a world class view. A one-size-fit all cookie cutter approach is not proving fruitful. While Company Z cannot develop individual talent value propositions, there is a recommendation to cater to talent at a holistic level and particularly to address the generational gaps identified. There is growing consensus across talent and management to demonstrate a level of analyses and to implement action steps with regards to the surveys conducted. Management needs to allocate more time to engage personally with talent, and the processes need to be intimate and granular so as to yield meaningful results.

4.6.2 Respondent's views of the current measures and retention strategies

It is a common view that sales are top of mind for management rather than the retention of core talent, as leadership is focused on revenue. Talent assert that Company Z needs to be more proactive, instead of continuing the current reactive status quo. ***Respondent 10*****,** a Director holds a view that retention strategies are not required; the retention of talent is an outcome of doing the right things right.

The organisation does not have tangible policies that address the retention of talent, and if it exists, it is not visible or communicated to the business. The vast majority of respondents (90%), both talent and management, were not aware of any internal retention strategies. There are some mechanical ideas that are well intended but not well executed.

Some respondents are of the opinion that the organisation is measuring the wrong variables, that these are not aligned to the needs of talent. The reactionary approach is failing; it is too late to address these needs at exit interviews. The business and project health needs to be investigated; and a temperature gauge needs to be conducted in various parts of the business. While metrics provide a platform, there are no consequent analyses or actions. The current metrics are not driving the desired behaviour and this should be revised.

While the measures may not be explicit, there has been a reduction from a 38% turnover experienced in 2011 to 20% in 2013. The 2011 38% turnover rate was an anomaly experienced during a particularly difficult financial year for Company Z, profit margins were slim and this impacted salary increases as well as bonuses. In addition, competitors were on a major recruitment drive and this entailed the active poaching of Company Z talent.

Changes in leadership and the structure of industries, which is identified as a leading edge practice, has produced tangible results; which includes fostering a sense of belonging and purpose amongst talent. In addition, this has resulted in the development of a distinct career path for selected talent; experiential learning; the establishment of a pipeline of experience and skills; formalised succession planning; the appointment of quality leaders; a better fit in terms of recruitment; a rigorous selection process, stringency on good appointments; and improved processes to weed out non-performers.

Talent believe that the negative perceptions need to be shifted to actively change the energy of the business; and the dissonance between the alignment of values needs to be addressed. A leadership culture of collaboration rather than competition needs to be inculcated. As per the respondents, Company Z is widely perceived as an employer of choice and the future of the business looks solid.

4.6.2 How do the retention strategies fare against competitors?

According to respondents and company strategy data, this organisation relies predominantly on their brand eminence and has not actively addressed the concerns around talent retention. The other consulting houses are focused on the measurement, management and retention of their top talent. The cultures and values differ across consulting organisations; one particular competitor has a two year up-or-out policy; if talent are not promoted within two years, they are assisted with employment at other firms and become alumni of the firm. Competitors utilise the positivity of their strategic brand and their global mobility as an attractive offer to lure talent from Company Z, which is predominantly domestically focused.

Competitor consulting firms offer incentive trips internationally, for example guaranteed training in Chicago. They provide greater remuneration, in-depth career planning and pathing for talent; as well as funding for international masters programmes. In addition, they award 3 month paid sabbaticals to avoid burnout, affording talent the opportunity to recharge. The result is a connected and loyal workforce, and hence greater retention.

This organisation's clients are large corporates who are also regarded as competitors. Talent delivers on engagements and clients are the recipients of benefits and the tangible value add provided; it thus becomes easier for them to poach top talent from Company Z, as they offer cost to company packages of at least two to three times their salaries. Financial institutions are able to propose far greater remuneration but offer a different value proposition.

Company Z has a well-articulated employee value proposition for niched players. While the design of the value proposition attracts talent, successful implementation will ensure greater levels of retention. Talent are given the freedom and autonomy to innovate and run a business. This firm can leverage off the global brand and send delegates to international conferences or on overseas secondments. There is a need to invest in greater international training and exposure.

4.7 Talent Retention

Retention can be conceived of as a transaction between talent and management. If the career aspirations and needs of talent are fulfilled and their needs are addressed, they remain; however, when the organisation no longer caters to their personal requirements, they move on. Corporate companies value talent with consulting experience and are willing to pay a premium for these prized candidates; the ease of moving plus the immediate pay-jump make exiting the organisation a very simple decision.

Respondent 7, the COO of Company Z:

Retention is not an absolute and tenure is not forever. The aim is to maintain a symbiotic relationship; when this is no longer fulfilling or beneficial, talent will move on.

With respect to the talent lifecycle, this organisation is not deliberate in the retention of those high performing individuals. The value proposition has not delivered on promises at the onset of the engagement of talent with the business. The majority of talent interviewed do not believe that Company Z fulfils the value proposition they were promised and this has negatively impacted the retention of talent.

The retention factors will be discussed as per the sequence of the respondent's rankings.

4.7.1 Career and Personal Development

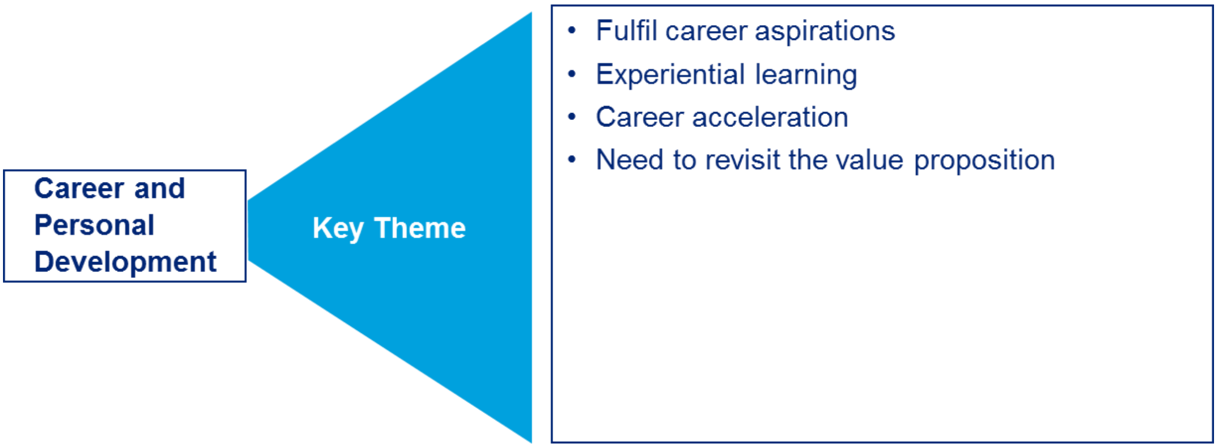

Figure 18: Career and Personal Development

Career and personal development was ranked as the leading factor of talent retention in both the current and the ideal states. This organisation is perceived to be genuinely invested in the professional development of talent in order to retain them. This view was agreed by all talent groupings; i.e. management and executives; talent and talent that had recently resigned. Opportunities for international exposure are granted when talent expressed an interest in these. International secondments are newly introduced opportunities that Company Z is offering top talent. The firm is driven by excellence in industry, solving complex problems, where no client or day is ever the same. Talent are able to fulfil their career aspirations via the ability to grow, be nurtured and developed. There is a provision of experiential learning, as well as the management of expectations by means of honest and upfront career discussions. As talent are exposed to good companies and experience, the majority of talent that leave are poached by clients once the assignment concludes.

Company Z's collegiate environment is characterised by the opportunity to learn; gain technical skills and specialist expertise (Younger et al., 2007) and this effectively retains core talent. Additionally, there is a perception that talent are afforded the opportunity to solve complex problems. Talent can acquire in-depth knowledge in a relatively short space of time; they have access to methodologies, tools and reports as well as subject matter experts. In addition, they are able to demonstrate their skills and expertise; and are not starting from a zero base, according to ***Respondent 8,*** a Director and Head of a Business Unit.

Talent are treated as individuals and their uniqueness and diversity are both encouraged and embraced; consultants are not merely carbon copies of each other. They are allowed to create their own career paths – the length and breadth of which is dependent on them. Leadership aids talent with their accelerated growth and learning paths.

Talent are continuously growing; they are ambitious and embrace high levels of self-belief. Knowledgeable, dynamic peers challenge talent and help them get to the next level, rather than stifle ideas and unique perspectives; and talent are able to leverage off the expertise and experience of these colleagues, according to one of the Consultants, ***Respondent 7.***

There is a great propensity for career acceleration, as ***Respondent 23***, a Senior Manager who had recently resigned, indicates that there is no need to wait for someone to retire to move up; the organisation provides intellectually challenging work; enables diverse industry exposure as well as exposure to top tier clients.

However some talent are frustrated by the time taken to progress and the lack of opportunities and stimulating assignments. Hence, there is a strong need to revisit the value proposition; and take a more proactive approach to training and development, as well as implement the freedom to execute. Respondents believe that leadership should address the journey of career pathing and adequate development; particularly for high potential individuals. There is a phenomenal opportunity to create 6 or 7 careers with one employer- this is due to the flexibility of the organisation and the multifaceted business that is immersed in the firm DNA.

4.7.2 Challenging and Meaningful Work

Figure 19: Challenging and Meaningful Work

Challenging and meaningful work ranked as the second principle factor of talent retention in both the current and the ideal states. The core of fundamental values that drives a progressive business is aligned to individual values and belief systems in this organisation. There was general consensus among the talent groupings (management and executives; talent and talent that had recently resigned) that talent remain due to the multitude of project types and exposure to diverse industries, experienced within a dynamic environment. This is a safe place within which to explore different industries, while talent are attempting to discover their niche. There is an abundance of access to tools and methodologies, intellectual property that one can develop and the level of interaction and engagement with C-suite executives. Talent are presented with meaningful, challenging and stimulating work which increases job satisfaction. This all bodes for well for the resumes of talent, in terms of exposure, growth and experience; and these talented individuals are able to add value to clients and South Africa as a whole.

The firm's value proposition is compelling to talent as there exists a great opportunity to learn; due to the quality of work, professionalism, work ethos and the ability to leverage off industry leaders (***Respondent 3 – a Manager).*** Often 6 months in consulting is equivalent to 2-5 years in corporate. Talent are able to build their work resumes and capability quickly due to the in-depth extensive experience acquired. The nature of the work is project-based; short term; driven by proficient levels, an incredible quality of people, qualifications and diversity of the team".

Their level of intelligence is matched by an organisational infrastructure that is supportive, with wide access to technology, intellectual property and people. There is a deep level of breadth of development. ***Respondent 20*****,** a Consultant, affirms that this is an on- the- go lifestyle, talent are rarely bored as there is always something interesting to do and they are never idle. Additionally the opportunity to work with like-minded people of high IQ helps broaden horisons for future prospects. Talent feel challenged and motivated by the 'work hard, play hard' culture. There is a great adrenaline rush as every day is not the same; and talent are in fact energised by these challenges. The international work is neither monotonous nor boring. These opportunities provide an exponential learning curve and foster brand and firm loyalty.

On the other end of the spectrum, 64% of the respondents are of the opinion that a vast amount of talent leave when the work they perform is not aligned to their experience, skills and preferences. Further, the type of work talent undertakes is dictated by their level and constrained by their service areas; instead of career alignment with their aspirations. Bad projects taint talent, which decreases their tolerance for future projects, before they eventually leave. Management and leadership can counter these negative aspects by creating trust and respect with talent; and defining a career path for talent with valid milestones that are both tangible and attainable.

According to 40% of respondents, talent are striving to make a meaningful contribution to society. This distinct drive is in wanting to make a tangible difference to the sector, market and country as a whole. Furthermore these talented individuals want to play an active role in redefining the local and global economies; and this can be achieved when talent are empowered to make key decisions that determine the direction of the organisation.

4.7.3 Culture

Figure 20: Culture

Respondents ranked culture as 3rd in the current state and 8th in the ideal state, this indicates a disparity between what is currently experienced in comparison to what talent desires. This could indicate that respondents have a positive experience in terms of the culture of Company Z, and have hence ranked it as a lower priority in terms of improvement in the ideal state.

Company Z is perceived to encompass a high performing culture (O'Neal & Gebauer, 2006; Sutherland & Jordan, 2004), which also has an empowering and nurturing element. Management and executives, talent and talent that had recently resigned were in alignment in terms of their positive experience of the culture of Company Z. This aspect of a compromising culture means that talent is aware of the give and take nature of the firm. This further supports the view that the firm is a people oriented business and specifically talent centric and this ensures the retention of talent.

Respondent 15, Senior Manager:

> ***This is a stable ethical employer, with a global outlook in terms of both clients and employees***

Respondent 14, Manager:

> ***The culture of this organisation is a structured fair environment, with high energy individuals that has a comprehensive and global future business plan***

The firm is renowned for their professional code of conduct and ethics (***Respondent 4 – a Consultant***). This is a distinctive type of culture that attracts certain people and deters others (***Respondent 10 – a Senior Consultant***).

Approximately 70% of the respondents affirm that the organisation encompasses an entrepreneurial culture, talent are afforded opportunities to chase new concepts; are given autonomy and flexibility in carrying out their functions and feel connected to colleagues. They provide steep learning curves and opportunities, more so than in industry and at corporate companies.

Respondent 18, Director:

> ***Big ambitions are catered for; the brand speaks to the ego of top talent, who are supported by smart people that will enable their ambitions. This is underpinned by active leadership support and endorsement***

This is a sustainable company with a powerful brand; so there is a strong sense of job security and comfort in the health of the organisation. There are other opportunities within the firm as well as prospects to move into other service lines or other divisions. There is a high level of operational effectiveness and the business is talent centric. Further, the firm has a wealth of networks and knowledge to help talent deliver; there are limitless help and resources to call on.

The need to belong is often a challenge in a constantly changing environment.

This is countered by a culture of team ethos, access to leadership, links to international networks and vast intellectual property, as well as the ability to experiment in a safe environment. Associated to their need for self-fulfilment, talent also feel empowered to contribute to a better business.

There is great prestige associated with belonging to a high performance team. This performance driven culture provides opportunities for global networking and working with bright motivated people. This collaborative network employs a “tight-loose” approach; where the rules and governance are tight and the hierarchy is loose. On the other hand, it is also ruled by heavy governance and can become political if talent is not aligned to the right stakeholders.

The firm has adopted a view of empowered accountability; having successfully replicated the concept of social networks. This is based on a philosophy of limited hierarchies, a network relationship, respect on all merits, trust, and integrity; all underpinned by an engaging and nurturing environment that is on the leading edge.

Given the exposure to the innovative culture within Company Z, a few individuals had resigned to pursue new start-up ventures. The firm encapsulates an entrepreneurial culture; however there is no platform to engage independently in these at the organisation. The life and career goals of talent that resigned had shifted and the firm could not accommodate this.

The firm has a strong ethos around being a talent magnet as represented by figure 21:

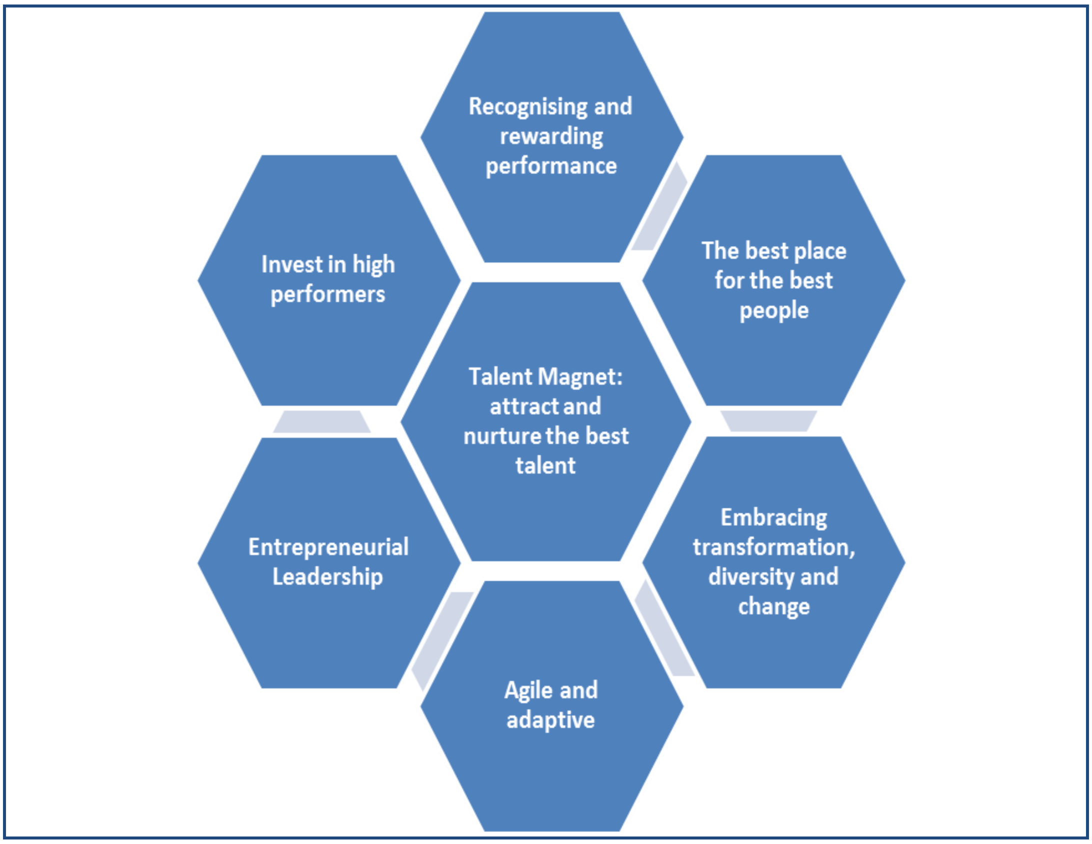

Figure 21: Company Z Culture (Company Z Document)

Respondents across all talent groupings, circa 60% believe that this type of culture is successful in promoting retention, as there are aligned values, belief systems, and personalities of talent matched with directors and/or project managers. Relationships are built on trust are not just mechanistic; talent are able to voice their opinions without fear of reprisal or victimisation. Talent are allowed the opportunity to vent, as this firm has adopted an open door policy. Further, there is trust and confidentiality with leadership; this is a protected environment with unspoken trust. There are various forums where talent concerns and issues are heard, and where leadership provides clear directions to address these concerns. This fosters a culture of meritocracy; where talent are allowed to be unique and individual.

The firm has a very strong market presence due to the brand; and this carries a significant amount of weight. As a global player, the opportunities are endless; and the firm is renowned for delivering on projects as well as market dominance. The culture of this organisation retains talent by virtue of the following attributes: their resources; size of organisation; industry print; subject matter experts; low hierarchical structure; entrepreneurial spirit and their good familial culture. Talent are often pleased with their "bragging rights" – to be proud of the firm and its brand.

4.7.4 Managerial Impact

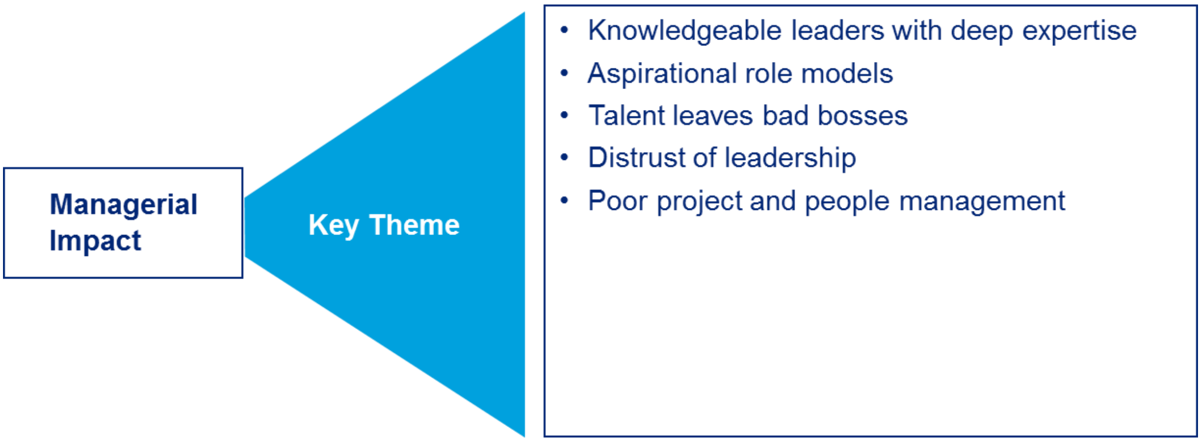

Figure 22: Managerial Impact

As a talent retention factor, managerial impact was ranked 4th in the current state and 7th in the ideal state. Company Z hires the cream of the crop, and 55% of respondents assert that talent remain due to the quality of leadership providing guidance and direction. Management believes that talent are able to leverage off their expertise and experience base. The executives further purport that managers in the business are inspiring as role models; there is an ability to learn from them; and aspire to be them in a few years. The firm is cognisant of the importance of leadership and management; hence they endeavour to manage teams, ensure talent is well trained, maintain and display the attributes of a caring leader, and remain connected to their team.

Leadership is driving the relationship with talent and assumes that talent desire the same things as they do, which is not the case. Leadership is older and there is a distinct generational divide between these groups (Codrington, 2011). The younger generation are 'techies" with a diverse focus and world view; their beliefs, values and drivers differ from that of management.

According to 80% of talent and talent that had recently resigned, there is a distrust of leadership who are not connected to the business or their people; they are not living the values as promised. There is a wide view, approximately 90% of talent who perceive project directors as too tough, disengaged, challenging to work for, immature and lacking in emotional intelligence; and in addition talent has experienced poor management skills on projects.

A negative relationship between project managers and direct reports has led to a surge of talent turnover, with 80% of talent having left a bad boss, according to Company Z turnover data. The exit interviews and interviews conducted with talent that had recently resigned indicate a trend; there was a common thread of a bad assignment, poor project manager or industry leader that caused talent to leave.

Retention strategies were not planned, they happen almost by accident, where certain individuals are managed and their needs are taken into account. Project managers generally provide a good project experience and challenging work to those they believe are worthy. This is a highly subjective process and is directly dependent on talents' relationship with peers and leadership. There is a predominant perception (85% of talent) that management focuses on certain individuals and not others. These select few have the freedom, scope and licence to build, innovate and carve a niche in their careers.

In addition, there is a continued perception that management is too hands off and does not value talent. There exists an underlying impetuousness, there are few role models at senior levels; and there is limited inspirational leadership. Sometimes this is due to a cultural gap, if management is not able or willing to connect or engage; talent perceive this as a failure to deliver on the value proposition and hence resign. Further, personality clashes with leaders are not handled diplomatically or with sensitivity. Once talent have been ostracised and shunned, the reputational damage is too extensive to overcome. They are often isolated and are unable to integrate back into the business.

Other talent exited due to irreconcilable differences with leadership; they had lost faith and this created a disconnect; which led to disengagement with the firm. They felt let down by the system and it was difficult to ascertain if career objectives could be attained if they stayed. There needs to be respect and trust in the leaders of the business to foster a sense of loyalty, engagement and commitment, and this will increase and improve the retention of talent.

4.7.5 Reward

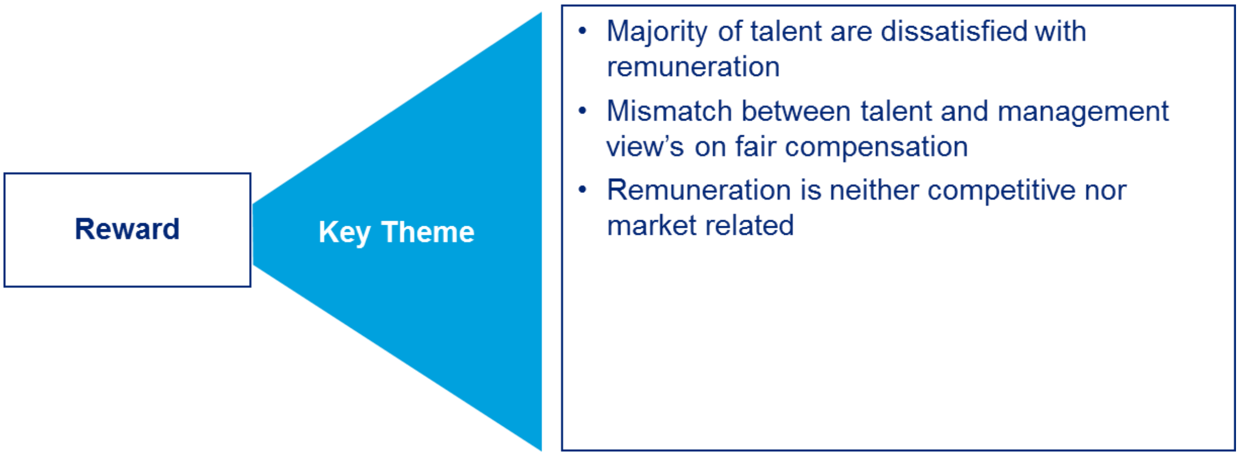

Figure 23: Reward

Reward as a factor of talent retention was ranked 5th in both the current and ideal states. While 97% of management asserts that remuneration is not a major determinant factor of talent retention; 98% of talent interviewed disagrees as they view this to be a pivotal driver. Management are of the opinion that money is vital, a dis-satisfier; and is not the sole motivation for the retention of talent. Leadership believe that they are competitive from a monetary point of view, and have taken a view to have open and honest conversations to understand talent. The new generation wants to feel valued, and they are very open with salaries and bonuses discussions with peers, this is not seen as proprietary information, as with previous generations.

Remuneration is a massive problem at Company Z; the majority of talent do not feel adequately rewarded for their skills and competencies. According to 98% of these high performers, they burn a lot of energy; they always strive to outperform due to their inherent high fear of failure, and it is their opinion that this needs to be richly rewarded.

Respondent 16, Senior Manager:

While loyalty and camaraderie go a long way, one still needs to pay the bills

There is a requirement to benchmark remuneration in this organisation. Often talent has left due to financial jealousy; high discontent ensues when their peers are earning substantially more. According to exit interview data, 70% of talent that had resigned were overqualified; hired at the incorrect level and felt discontent when individuals less competent were being promoted. They eventually left due to social and family pressures to earn more and out of embarrassment at their low titles, junior positions and below market remuneration.

Talent assert a need to review and revise compensation propositions and believe that offerings should be aligned to the market and management consulting industry. The financial rewards should be large enough to offset the “blood, sweat, tears and sacrifice”. Non-financial rewards can also be used to offset poor pay, for example leadership can provide down time for talent to re-energise and re-focus; this would cause a complete shift in the current mood and energy of the organisation.

Management can ease the pressure by getting involved early on and mitigating the issues. It is thus imperative to stage an intervention with talent before they resign; to effectively deal with disgruntlements and address the philosophical issues. This can be achieved by getting the basics right; ensuring that hygiene factors are achieved and maintained.

Respondent 21, Analyst:

This organisation does not offer competitive remuneration and is notorious for underpaying talent

There was general consensus in terms of individuals recognised as talent that had resigned, which was corroborated with exit interview data. The trend indicates talent were made an offer that they could not refuse. An unbelievable compelling and substantial remuneration was offered, for the same or similar effort expended in their current roles. The new opportunity aligned with their passions and interests and was low risk.

While reward was ranked as the 5th principle variable, the dissension gauged from the interviews and the number of talent that had left due to increased salaries indicates a greater dissatisfaction with remuneration. Talent are promised a fast track and bite the bullet for quicker progression. They realise they could be paid between 30-40% more at a merchant bank or other corporate companies. Management should be able to channel excitement and enthusiasm for work in a directed framework. They should emphasize career succession, growth and opportunity, as well as future prospects. They are cognisant that hygiene factors need to be in place in such a professionally managed business; and that talent are remunerated according to their worth.

Respondents may have been reluctant to rank reward as a primary retention factor because they did not want to be perceived as materialistic by the researcher. This is a form of social desirability where the respondents want to be perceived in a positive, altruistic manner rather than admit that money is a driving factor of the retention of talent.

Further, the organisation is actively measuring attrition; leadership maintains a “watch list” where high risk leavers are identified and interventions are arranged to persuade this key talent to stay. The trend indicates a general malaise around remuneration; the huge disparities and variances in compensation need to be adjusted. Management have undertaken to rectify and normalise salaries and implement a system of fair distribution and compensation as well as to illustrate the transparency of rewarding high achieving individuals.

4.7.6 Recognition

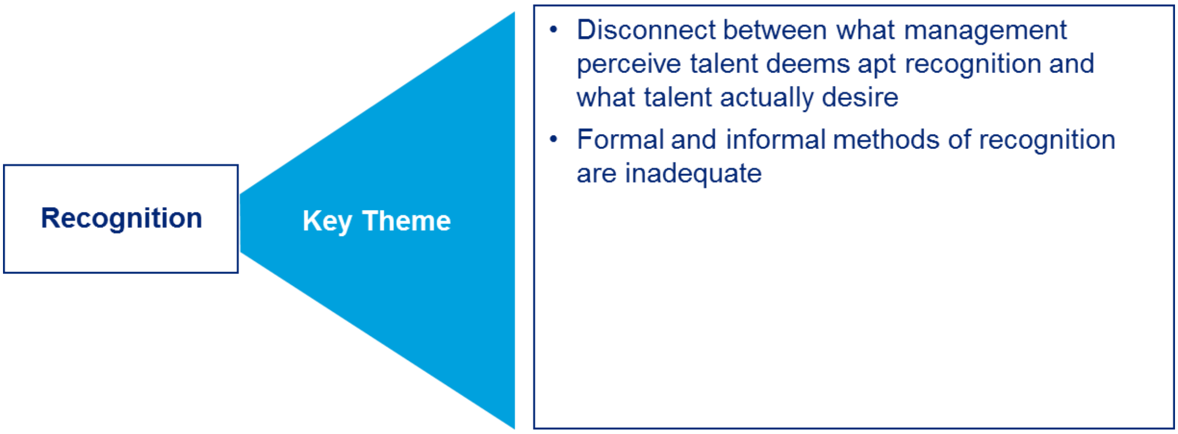

Figure 24: Recognition

Recognition was ranked as 6th in the current state and 4th in the ideal state, indicating that Company Z will need to further investigate the incongruence of the rankings to gauge how talent can be better recognised at the organisation. This will directly impact their levels of retention.

This organisation has an internal mode of recognising talent; they are nominated on a public platform and recognised by way of the nomination. Over a period of time, talent with the highest nominations are awarded prizes at a banquet dinner attended by leadership. Talent are incentivised with vouchers, team outings, time off work and with public recognition. Talent craves recognition from both the firm and clients. This is sometimes received as verbal and/or written communication, or in the form of monetary rewards or gifts. These unfortunately hold no long term value; talent at Company Z are driven by instant gratification and while this fulfils the function, it does not address the long term issue.

According to 90% of talent and 58% of management, the current recognition mechanisms are insufficient and ineffective at this point. Talent feel both undervalued and unappreciated, given the long arduous hours and effort expended. Management will need to perform a deep dive to understand what talent want as their mechanism of recognition, and hence retention is currently failing.

4.7.7 Capacity for Autonomy, Flexibility and Independence

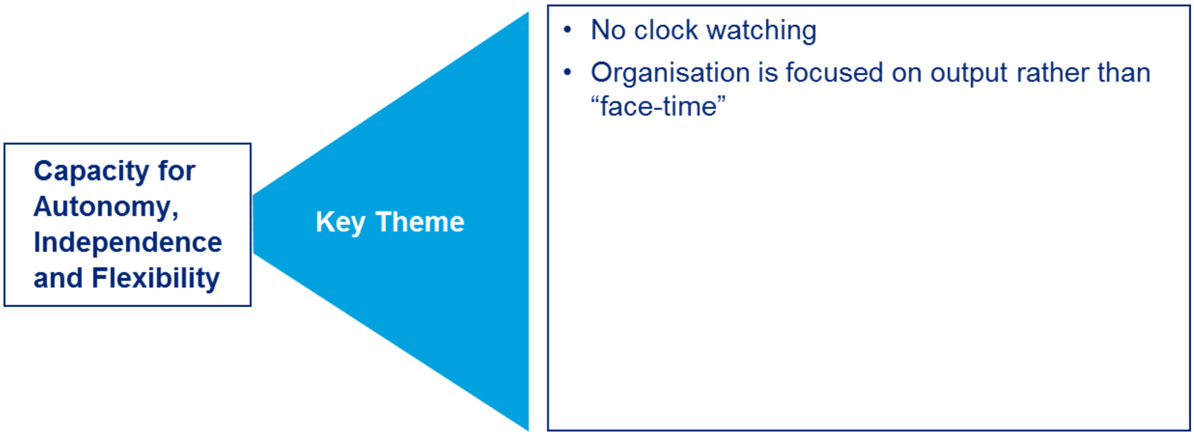

Figure 25: Capacity for Autonomy, Flexibility and Independence

As a talent retention factor, the capacity for autonomy, flexibility and independence was ranked 7th in the current state and 9th in the ideal state. The majority of respondents, 83%, agreed that Company Z catered to talents’ desire for autonomy, flexibility and independence. A further 69% agreed that this was one of the reasons they accepted remuneration that was below market and industry norms.

Respondent 28, Consultant:

Freedom is the opportunity cost to a better salary

Management affirms that talent are exposed to a plethora of industries and clients which impacts their retention. The firm offers a diversity of opportunities in terms of clients as well as the industries talent would work in. ***Respondent 2***, an Associate Director, affirms that consulting provides career flexibility in that talent are able to alter their career direction without changing jobs, for example one could move from supply chain to process optimisation to finance; there is a huge canvas to play on. This career flexibility increases the likelihood of the retention of talent. Further career flexibility and autonomy is provided with overseas assignments, which also engenders the retention of talent as international travel is a top priority for talent starting their consulting careers or wanting diversity (Stumpf & Tymon, 2001).

Management and talent agree that this organisation inculcates a mature and flexible working environment that encourages autonomy and an empowering team spirit. There is no clock watching or micromanagement, as this is a culture that recognises that individuals are more productive when independent in their delivery and responsible for self, within reasonable bounds. Leaders allow for the expression of individuality, independence in managing self and others, within cross functional teams.

While the organisation focuses on output and project deliverables as opposed to mandatory "face-time", this is within reasonable limits and time spent at the client site is vital to project management and delivery. The more senior levels of talent are afforded greater opportunities for autonomy, independence and flexibility, which increase their propensity to stay. This is due to their competencies, skills and experience to better manage time, deliverables and client interactions.

4.7.8 Leadership Development

Figure 26: Leadership Development

Leadership development was ranked as the 8^{th} talent retention factor in the current state; however it was given greater prominence in the ideal state, with a ranking as the 3^{rd} principal factor. This requires greater attention from management and leadership, as talent has an expressed a lack in the leadership development at Company Z.

Respondents affirm that Company Z is transactional with assisting leaders in becoming better leaders as a mechanism to retain talent. Leadership recognises the value in helping bad bosses improve and providing an opportunity for them to become good leaders and hence enable the retention of key talent. Management believes that this can be achieved by providing and ensuring continuous 360 degree feedback and to manage tactical processes. Company Z's vision is to grow, develop and nurture the next generation of leaders; and guide them via honest conversations about their futures. Leadership is mandated to be authentic and work with integrity in maintaining trust with this elite group of individuals. Management and talent agree that while these leaders are outstanding role models; they also deliver fierce feedback, guidance that is fair and recommendations that are sometimes harsh but necessary.

In contrast, 30% of talent believe that leadership has biased opinions of talent and this directly impacts their career progression. For example, a negative perception of specific talent quickly grows and they are no longer assigned to plum projects and their career advancement suffers as a result. A poor relationship with managers can see talent being held back, while others are promoted who are not as competent. Talent feel like a commodity rather than a valued member of the firm. This can be changed by effectively coaching and mentoring leaders in the business as well as talent destined for management positions to change the current culture.

The firm has an established leadership team that can coach and mentor talent into their way of working. ***Respondent 4***, a Senior Manager, advises that the operational model differs to that of a corporate environment. Talent are exposed to a greater level of interaction in the organisation with C-suite executives. They are not afforded such opportunities in corporate environments, where it would take many years to gain such access to the top executives. They provide opportunities for exposure and experience at leadership level.

4.7.9 Work Life Balance

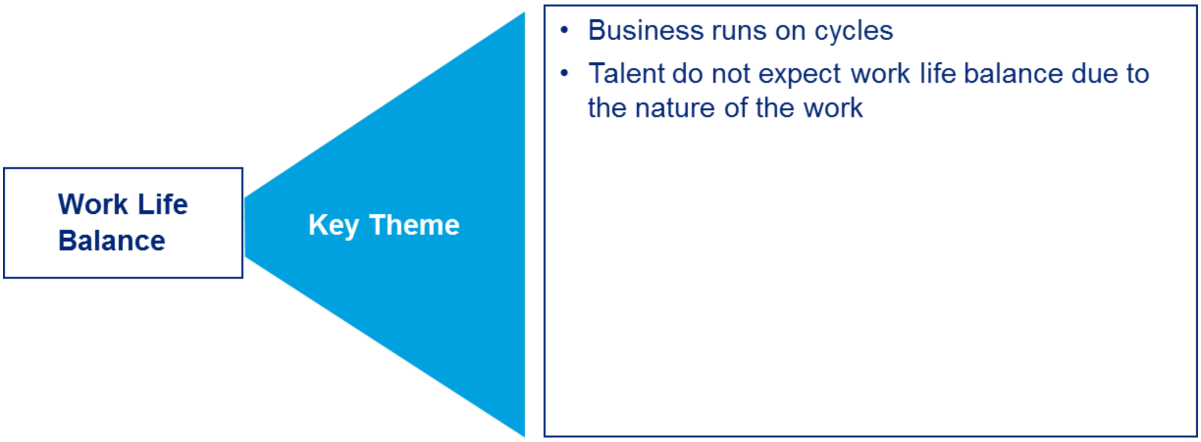

Figure 27: Work Life Balance

As a talent retention factor, work life balance was ranked 9th in the current state and 6th in the ideal state, which indicates that respondents, specifically 77% of talent, are increasingly placing more emphasis and value on work life balance.

The majority of management (82%) affirm that consulting by its very nature is not a sustainable long-term career due to the long hours and stressful lifestyle and this affects the retention and turnover of talent. Respondents are aware that burnout is a common phenomenon in this industry and there is little stability in the type and function of work performed.

Management is of the view that there is a misconception of work life balance; this business runs on cycles; there are alternating periods of high and low intensity as well as the duration of projects. The degrees of work life balance are heavily dependent on the challenges faced by talent on a particular engagement with a client.

The high intensity and extensive duration of projects create a greater propensity for burnout; talent has experienced sheer exhaustion on some projects. Some talent do not want to be away from their families for long periods of time. This generally depends on their life stage; the younger, unattached talent want to be more mobile; whereas the established talent who are married with children prefer to not travel. It is not fair practise to expect the single talent to travel all the time, and this should be incentivised by a type of “danger pay”; where talent can receive compensation for periods away from home.

The majority of talent (65% of respondents) do not expect work life balance due to the nature of consulting. This is widely accepted as part of the occupation and talent are aware of this upon joining. As talent progress and move to senior positions within the organisation, they are able to manage their time more proactively and balance personal commitments with professional obligations.

4.7.10 Fair and Transparent Employment Practises

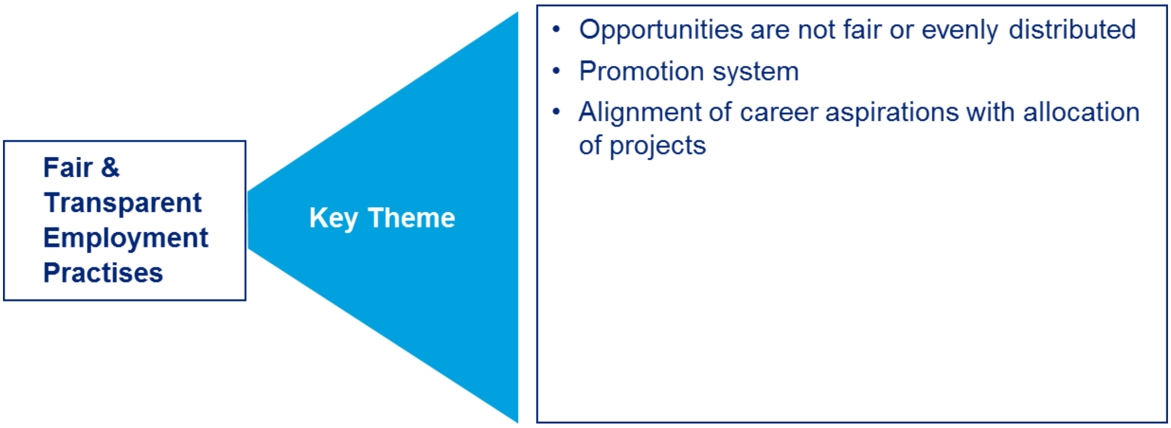

Figure 28: Fair and Transparent Employment Practices

Fair and transparent employment practices ranked as the 10th factor of talent retention in both the current and the ideal states. While the firm offers great opportunities, 97% of talent assert that these are not fairly or evenly distributed and this impacts talent's decision to remain or seek opportunities elsewhere. Talent proposes that Company Z adopt fair and transparent policies around remuneration, training and opportunities for international exposure (secondments, conferences and global task teams).

The majority of talent assert that they will remain until they feel like a victim in the system, once their perception is of deliberate unfairness, they lose trust and exit. Talent perceive the heavy weighting of the utilisation metric as unfair. The key performance indicators as they stand incentivise talent to take on a project to achieve utilisation greater than 85% rather than projects aligned to the career goals and aspirations of talent.

Further, talent believe that the performance evaluation system needs to be standardised across all areas and levels. Often the promotion system is not a true reflection of who is operating at the next level, but rather who has a great relationship with the director. Talent have expressed a strong discomfort with the calibration and promotion process. Promotions are often based on perceptions rather than genuine facts; talent believe that leadership have already decided their fates before the cycle begins and the process is mere lip service.

The lack of a structured approach sometimes leads to frustration and poor return on effort. Talent perceive that the firm is not actually leveraging global best practise on client engagements and also not accessing organisational knowledge globally.

***Respondent 35, Director**:*

We don't do what we say will – we say we are a business that thinks differently but we do not operate differently. We are not innovative or strategic. Talent are not treated with maturity or respect; and we don't identify and grow talent

The majority of talent (78%) and a small proportion of management (40%) hold the belief that Company Z no longer represents a business of integrity. Talent further affirm that management does not follow through and deliver on promises, be it with talent or with clients. There is a lack of leadership authenticity; due to the lack of action from leadership on key issues, or not following through on promises made. This needs to be resolved to effectively retain talent.

4.7.11 Additional factors uncovered

Over and above the factors uncovered in the literature review, additional dimensions were discovered during the interview process that relate to the retention of talent. These will be delineated further.

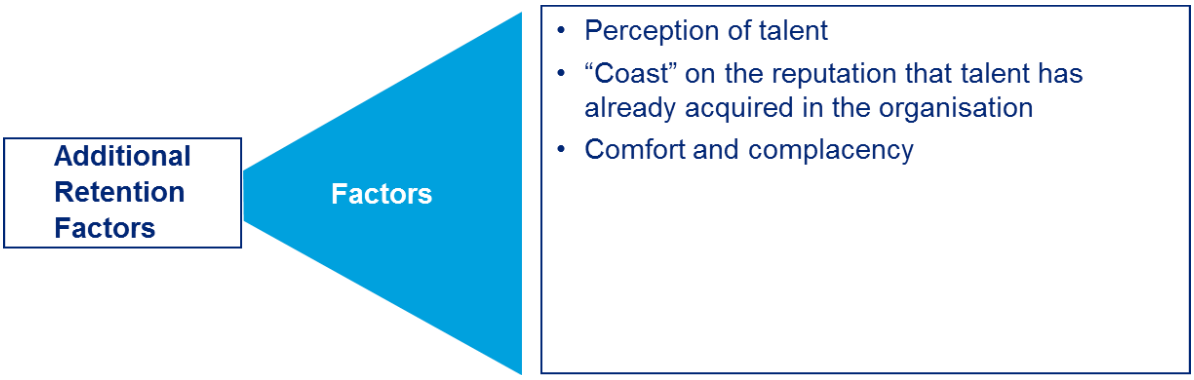

Figure 29: Additional Factors

There is a perception with some talent that once one is recognised and established in this profession, one’s status is elevated as a management consultant. Such talent are viewed to be placed on a pedestal and on management’s radar, implying that they become top of mind for plum assignments and international opportunities. At this point talent have reached a comfort zone, they are well respected and liked in the business, and have carved a niche for themselves with directors, project managers and clients. There is hence no need for them to re-enter a new market space and start from scratch.

The firm’s culture is one that is accepting and nurturing and enables “hand-holding”, and this further maintains talent remaining in their comfort zones. Talent are able to align with the culture, pace of work or intensity of the environment. This theme of comfort and complacency is associated with the idea of coasting; talent do what is within their capabilities and receive praise and reward for performing at that level. They are not operating at their most efficient or pushing their own boundaries, but the business acknowledges this as achieving. Further validation is gained via recognition from the client.

Generally, an average tenure greater than four years indicates commitment of talent to their organisation. This statistic can often be misleading given the recent discovery of talent coasting in the organisation. The results also highlight complacency and comfort as a factor that was not indicated in the literature review.

4.8 Talent Attrition

Talent has become increasingly mobile and companies are competing on both domestic and international markets for these individuals. The exit interview data, as well as turnover statistics indicate a fundamental error in the organisation’s selection processes, these have been cited as not robust enough; and internal recruiters have been unable to judge the propensity to be successful in the management consulting forte. This has had a ripple effect on the retention of talent.

Respondent 13:

> ***Every step of this journey needs to be a positive and reinforcing experience; from the time talent arrives for the first interview up to the point where they are promoted to a partner level***

The organisation has not been adept at recognising or valuing talent. There has been a significant change in leadership without the necessary support. Talent has not experienced a tremendous amount of support at their respective levels; this pressure has trickled down and has had a cascading effect on all levels of the business. Talent advise that they have become artful in juggling, and do not feel supported to meet goals and objectives. In addition, they are not given much room to develop and grow; this limited or stunted growth opportunity is partly attributed to the nature of performance management.

Further, talent noted that the firm’s key performance indicators do not drive business strategy; this is pertinent with regards to sales targets and how this has perpetuated a culture that values sales over client delivery or value add, which creates a sense of internal competition. There is a lack of direct alignment between the sales achieved and reward. There is a need to link sales with a bonus scheme so that it translates directly to a reward.

Directors do not provide adequate support structures and project managers do not provide enough support for their team; there is no buffer between the client and team. As a result, stressful hours are experienced at the client, with limited direction and clarity of objectives. Moreover, there are growing concerns around a client focus at the cost of talent. **Respondent 7,** a Consultant**:** "The firm is too willing to bend over backwards for the client, at the expense of talent and resources". There is no protection of staff from scope creep and if the issues are addressed, empty promises are made and talent are left feeling exploited and taken for granted.

Respondent 21 concurs:

> ***Projects are under scoped and under budget, which increases pressure; creates unrealistic objectives and deliverables in a short space of time with insufficient or ill-equipped resources***

A discovery that was not covered in the literature review was the notion of talent leaving when their complacency is exposed. Sometimes talent can create a false perception of their competencies, or are able to get by doing the bare minimum and still be regarded as a high performer. Once this is demonstrated or revealed; there is an ensuing lack of confidence from a business standpoint. Peers as well as management are aware of inadequacies and the inability to deliver. Some individuals are shielded, they demonstrate competence at a high level in the beginning; but this deteriorates over time, and they are protected by their project managers or directors. Once discovered, peers no longer want to take on their additional work.

At other times talent leave when exit becomes a natural point in their careers; when they wish to explore a different lifestyle; or pursue a totally different career, life and self-actualisation. They are presented with an opportunity to do less strenuous work, whilst earning substantially more and this is an enticing proposal. This is often considered to be a normal distribution of key talent. At this juncture, management and leadership would do well to maintain contact with these illustrious alumni, as they inevitably evolve to become clients of the firm.

In summary, talent would leave for more in-depth technical exposure in a corporate environment; to become a subject matter expert in a niched field; for a compelling remuneration; and international work exposure. In addition they leave when political alliances change and they are no longer protected; when they become cultural misfits; and when their contributions are not acknowledged, recognised, rewarded or valued.

4.9 Summary of the Results

Research Question: What are the factors that determine the retention of talent at a management consulting organisation in South Africa?

No	Ranked Factors: Current	No	Ranked Factors : Ideal
1	Career and Personal Development	1	Career and Personal Development
2	Challenging and Meaningful Work	2	Challenging and Meaningful Work
3	Culture	3	Leadership Development
4	Managerial Impact	4	Recognition
5	Reward	5	Reward
6	Recognition	6	Work Life Balance
7	Capacity for Autonomy, Flexibility and Independence	7	Managerial Impact
8	Leadership Development	8	Culture
9	Work Life Balance	9	Capacity for Autonomy, Flexibility and Independence
10	Fair and Transparent Employment Practises	10	Fair and Transparent Employment Practises

Table 18: Respondents Ranked Talent Retention Factors

The results posit that talent remain with organisations that have a strong brand; an international footprint; are financially stable; and have a progressive culture that is young, liberal; more agile; and provide flexible working conditions. There is a strong belief in leadership who would connect with talent. There would be a platform to express one's opinions and grow. Talent would be provided with challenging and stimulating work and the freedom and autonomy to perform. Talent remain when their personal needs are catered to, where there is an alignment of their work ethic and personality attributes with the culture of the organisation.

In conclusion, the results and analyses thereof provide empirical evidence to support the literature reviewed. The following are the key levers of talent identified within management consulting:

- Career and Personal Development
- Challenging and Meaningful Work
- Culture
- Managerial Impact
- Reward
- Recognition
- Capacity for Autonomy, Flexibility and Independence
- Leadership Development
- Work Life Balance
- Fair and Transparent Employment Practises
- Comfort and Complacency

As per the organisational qualitative and quantitative data obtained, the following were flagged items from exit interviews: promotion opportunities/timing; the career development process; training/preparation for the job; and interaction with senior management and leadership. Some of the reasons cited for leaving were: lack of development opportunities (48%); work-life balance (23%); integration (10%); and remuneration (10%).

Further interview feedback posits that: talent like being associated with the brand; talent has learnt a lot within a short space of time; and there is great exposure to various industries and sectors. Company Z encompasses a collegiate, learning environment that affords talent the freedom to manage their careers.

The organisation could assist more with networking and on-boarding to help people connect and build relationships with senior management. Talent left due to: lack of career progression; more accountability in their new roles; and better remuneration. In addition they felt they were not recruited at the correct level hence they were not stimulated enough nor rewarded appropriately. There is a need for a more efficient on-boarding system, talent feel thrown in at the deep end and need a mentor or buddy system. New talent hires feel isolated and support is lacking. Incentives and rewards are not aligned to market offerings; there is no career growth or limited promotion opportunities.

There was minimal discussion around the employment equity and legislation. In some instances, the effects of the legislation had caused the emigration of some white families out of South Africa due to job insecurities (Kerr-Phillips & Thomas, 2009; Molefe, 2009; World Economic Forum, 2012). On the other hand, this has opened up opportunities for the previously disadvantaged, who are now free to move geographically.

While the recession has caused significant changes in the talent market, an increased unemployment rate does not necessarily equate to a lack of opportunities for these prime candidates. Organisations with a view that talent are faced with scarce opportunities may be surprised when they leave. Leadership and talent have remarkably differing views regarding the retention of key talent. While remuneration is pivotal in any effective retention strategy, offering non-financial incentives are crucial to winning in the current talent marketplace. Organisations regarded as employers of choice have a talent focused mind-set; in the way they value talent and this is reflected in the way talent perceives them.

Further, remuneration is of paramount importance as it was the area of greatest dissatisfaction and frustration. While talent remain due to a trade off with decreased pressure and more flexibility than other consulting firms, the discontent with their financial compensation is a factor that needs to be addressed with great urgency. Key talent are beginning to weigh their options in a market that values their skills and is actively trying to recruit them; and the opportunity costs of a below market salary is not feasible for many any longer.

Remunerations need to be commensurate with the market as well as the complexity of the work that is performed. Industry salaries are much higher with a lot less complexity or strenuous hours than consulting. It is recommended that the firm provide market related salaries and provide reward strategies that include both financial and non-financial incentives. More opportunities need to be created to cater for international exposure and cross border experience. This can be achieved by inspiring leadership.

Leadership that is progressive and has clarity in terms of talent requirements are in a better position to address their needs due to their holistic and comprehensive understanding of the individual. Despite differing demographic data, the needs and requirements for talent are largely similar. This includes: their high need for independence, individualism and personal achievement.

CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

Talent remain within the employ at their organisations due to: the attraction and prestige associated with an immensely powerful brand; the access to a talented international network and intellectual property; the diverse and challenging work coupled with the leeway to create solutions in collaboration with the client. In addition, leadership are cognisant of both professional and personal aspirations of the individual; there is an alignment and harmonisation of both individual and corporate goals; recognition by peers and leaders; and reward that is commensurate with performance.

This research will be pertinent for organisations wanting to improve their competitiveness and become a global talent magnet. They can achieve this by leveraging their key resource, talent, and becoming an employer of choice.

The competition for talent is increasingly global and talent realise they are in high demand as evidenced by 65% of surveyed talent who were looking for another job. Since companies can easily match compensation packages, this organisation can differentiate themselves in the talent marketplace by going beyond financial incentives and creating customised retention strategies that address issues such as career advancement and greater recognition. This firm recognises that promotion or job advancement is a strong retention tool as evidenced by the ranking of career advancement.

An employee report suggested that talent strategies should be tailored to address the goals, expectations and desires of talent. Leadership should focus on creating connections as talent are more likely to stay in an organisation where they feel connected to peers, leaders, to the organisation’s purpose, and to the resources they need.

5.2. Conclusions of the study

The analysis of the in-depth interviews, together with trends in demographics and an assessment of company data indicate that merely using the recession as a default retention strategy has been inadequate in this organisation's endeavour to retain their key talent. The large turnover rate has necessitated an urgent focus on the retention of talent.

The costs of talent exiting begin with lost productivity when they initiate the new job search, manifesting in lower profitability. Turnover costs represent a significant encumbrance in management consulting. The total cost of replacing each lost talent can be two to three times their annual salary, taking account of: the loss of intellectual capital; client relationships; productivity; experience; training investment and other job skills; as well as the cost of recruiting a new hire and the time taken for their effective on boarding. The resignation of key talent has a ripple effect in the organisation, with others following their lead, further compounding costs and the loss of skills. It has thus become crucial that organisations create and deploy proactive retention strategies aligned to a compelling value proposition. If this is not implemented, essential talent are at risk of being poached by competitors.

Frequent communication and open dialogue between talent and management can assist leadership ascertain which tools and mechanisms are most effective in their retention. The retention policies and campaigns need to be aligned to the objectives of talent; and communicated effectively. Talent focused organisations are implementing talent programs to: nurture future leaders of the business; drive innovation and retain core talent. Firms that follow suit would be better equipped to foster a greater sense of loyalty and retain their high performing talent pool.

The top retention variables identified include: bonuses or other financial incentives; support from leadership; formal and informal means of recognition (email and newsletters, announcements and prizes awarded); training and development programs to learn new skills and exchange ideas; opportunity for job advancement; manageable and reasonable workloads; afforded opportunities of interest (study and international secondment); and collaborative workspaces that facilitate networking and innovation.

While a 20% churn rate is considered the norm in this industry, this firm experienced a 38% turnover in 2011. This had adverse financial implications over the long term horizon, as well as the loss of key institutional knowledge. Strategic recruitment is still very reactive; and this has been exacerbated by a shortage of skilled resources. Mentoring has been instituted for a select group and is not always formally structured. Succession sponsorship is currently informal and not incorporated at all levels. There is a need to develop a flexible career development and progression path that takes into account the passion, interests, competencies and capabilities of talent rather than adopting a cookie-cutter approach to the situation.

The role of leadership is critical in the retention of talent. A talent management mind-set needs to be entrenched into every division within the firm. Talent “health” indicators include: retention (actively monitor key talent turnover); development plans and opportunities; as well as addressing gaps in capability and pipelining. It is vital to communicate openly with talent; to let them know that they are valued; and to engage with them around their ambitions, their future and how their growth can be supported.

5.3. Recommendations

The following recommendations with regards to retention flow from this research. It has become imperative to understand the factors that retain key talent. In doing so, leadership should review existing retention methods and tailor these to the needs of talent. While the brand is intangible as it relates to the reputation of the employer, it also extends to the group’s policies and practises. A compelling value proposition should be enhanced and engineered to retain the key talent it attracts. The firm’s employee value proposition requires significant enhancement to attract and retain top talent. This requires a decisive strategy formulation and an immediate action plan. Leadership are cognisant that the retention of top performers is critical and it has become essential to cater to the needs of exceptional people to build a more cohesive and experienced team. Talent need to be empowered to become trusted business advisors.

Leaders should be held accountable for retention and this can be achieved by enlisting retention as a performance deliverable. Selecting leaders that can retain talent would enable consultancies to grow a committed workforce (Frank et al., 2004).

Young leaders in the business need to be identified and earmarked to become involved in and drive the talent agenda – this will also ensure buy-in and commitment from talent, their peers. It is imperative to action the survey results, investigate exit trends and devise a formidable retention strategy. This is vital in developing a fruitful talent management system.

A dedicated team is required to deal with talent intelligence and implement the talent strategy, accompanied by the accountability for the attrition of talent. The current recruitment process is fundamentally flawed and needs to be altered. Talent winning organisations recruit continuously and not merely to fill vacancies (Chambers et al., 1998). The current reactive approach should change to a proactive approach in order to improve retention.

There is a need in the business to support more indirect relationships, for example coaching and mentoring. Metrics and strategies need to be adjusted to retain core talent; these should be tailored and adapted to the requirements of talent. Leadership can leverage social media to connect with talent; to drive more one on one interaction, and be tuned into the needs of talent; and this could also be used as a platform to recognise achievements. Retention can be strengthened via building sincere relationships that foster trust and loyalty. Talent have specifically requested a connection to leadership, underpinned by availability, support, feedback and assistance with project delivery and managing client relationships.

Further, management need to create a strong sense of team work through communication, collaboration, team building, positive behaviours, working successfully together across age groups and understanding each other. This should also encompass work life balance, which is a strong need that highlights the importance of developing people whilst reflecting personal and family time.

Non-monetary rewards are simple means of recognising talent and motivating them, given that morale is not great. From a financial perspective, Company Z could address the fundamental gripes with reward by: ensuring a transparent bonus pool; providing tuition for higher education; affording opportunities for international exchanges and secondments; allowing for ‘danger pay” when talent are away from family and expected to travel for long periods of time.

Management can provide clear career paths; clarity regarding succession plans; market talent for international projects; align skills and passions to career paths; and allocate the right roles to the right talent, which ensures that they are on the right project.

Key performance indicators need to be consistent across consulting; to ensure talent are challenged and constantly learning; provide knowledge transfer and access to global skills.

In summary, the proposed recommendations include:

- Provide market related remuneration
- Review the selection process
- Recognise the desire for work independence and ensure that work programmes encourage creativity
- Increase professional training
- Discuss career progression, including training, career planning and development
- Provide management specific training
- Reinforce values and actions desired by placing talent who demonstrate desired performance characteristics in supervisory and managerial

positions

5.4. Suggestions for further research

- An empirical study investigating the relationship between the attrition of talent and levels of reward and recognition in organisations.
- This study can be replicated across other industries within South Africa to ascertain whether retention is affected by the industry talent is employed in.
- A comparative study can be undertaken across other countries to establish how the retention of talent is impacted in different economies
- Investigate the factors that attract talent to management consulting organisations.
- Assess the effectiveness of the talent management system.
- Conduct a comparative study between SA and the US or BRICS countries, to investigate the brain –drain phenomenon.
- Evaluate the costs of talent attrition.
- This study did not investigate the generational differences of talent. Further studies could perform a deep dive into this construct.

In conclusion, talent remain due to: the length and breadth of services in consulting; the exposure to multiple industries and top 100 JSE listed companies; a multi-skilled talent pool, individuals one can learn from; a strong brand with international reach; and a firm globally renowned for a good springboard. Talent can acquire a diverse range of skills which is broad enough to specialise. Talent within management consulting are afforded a good launch-pad to further their careers; talent learn about business cycles and processes; presentation skills, in addition to selling and proposing work.

APPENDIX A – INTERVIEW QUESTIONS

Letter to participants detailing the research

Dear Participant

Thank you for consenting to partake in this research study and to avail yourself for the hour.

I am an MBA candidate at Wits Business School and this dissertation is a requirement in fulfilment of my degree.

The purpose of this research is to identify the factors that retain key talent within management consulting in South Africa, and specifically within this firm. This interview will conclude with you ranking a list of retention factors, as identified in my study to date.

As this is highly sensitive information and of a personal nature, your participation, confidentiality and privacy is assured. The identity of the organisation will also not be revealed in the research report. The results of this investigation will be made available to you, should be interested.

Thanking you in advance ☺

Warmest Regards

Prabashnee Naidoo

083 293 3475

Interview Framework

Respondent Demographics:

Date:

Time:

Title:

Service Line and Area:

Number of years in current position:

Total number of working years:

Highest level of education:

Gender:

Ethnic Group:

Age:

Questions posed to management and talent

Question 1: What attributes, qualities or values do you believe attract talent to this firm?

Question 2: Are there mechanisms in place to understand what talent want? If "yes", what are these?

Question 3: Please describe the factors you believe impact the retention of talent?

Question 4: Do you think the current measures and retention strategies are working? Please elaborate

Question 5: How do our retention strategies fare against competitors?

Question 6: In your opinion, what are the reasons talent is leaving the company?

Question 7: Please give me an example of someone who was classified as talent and who has recently left your division to go to either another consulting firm or to industry in SA. What would say were this person's reasons were for leaving?

Question 8: Why were you attracted to this firm?

Question 9: What makes you stay?

Question 10: Why would you leave? If you did decide to leave, how could the firm to convince you to stay?

Question 11: What would you look for in a new company?

The table below lists retention factors as identified in the literature review. Please rank form 1 to 11 in order of importance and relevance (1 being most important and 11 being the least). Please include additional factors that you believe are pertinent and that is not represented in the list):

Talent Retention Factors	"As is" Rank	"To be" Rank
Reward		
Recognition		
Culture		
Managerial Impact		
Career & Personal Development		
Leadership Development		
Work Life Balance		
Capacity for Autonomy, Flexibility & Independence		
Challenging & Meaningful Work		
Fair & Transparent Employment Practises		

The following definitions were also included to explain certain concepts and to reduce ambiguity in their interpretation:

Key Definitions

Managerial Impact

- The importance of effective and inspiring management – it is vital that talent have a manager who understands and motivates them
- The impact that managers have on talent's decision to leave the firm or remain

Leadership Development

- Market leaders prioritise the identification of leadership potential as well as the creation of comprehensive developmental paths for current and future managers and leaders
- Talent will remain of they are identified as leaders and groomed accordingly

Questions posed to talent that had exited the organisation:

Question 1: What attributes, qualities or values do you believe attract talent to this firm?

Question 2: Are there mechanisms in place to understand what talent want? If “yes”, what are these?

Question 3: Please describe the factors you believe impact the retention of talent?

Question 4: Do you think the current measures and retention strategies are working? Please elaborate

Question 5: How do our retention strategies fare against competitors?

Question 6: In your opinion, what are the reasons talent is leaving the company?

Question 7: When did you decide to leave?

Question 8: Was there any trigger event that decided you on your course of action?

Question 9: What other factors influenced you to leave? Did the firm try to convince you to stay?

Question 10: In retrospect, now that you are working for another company, what do you think about organisation X as an employer?

The table below lists retention factors as identified in the literature review. Please rank form 1 to 11 in order of importance and relevance (1 being most important and 11 being the least). Please include additional factors that you believe are pertinent and that is not represented in the list):

Talent Retention Factors	"As is" Rank	"To be" Rank
Reward		
Recognition		
Culture		
Managerial Impact		
Career & Personal Development		
Leadership Development		
Work Life Balance		
Capacity for Autonomy, Flexibility & Independence		
Challenging & Meaningful Work		
Fair & Transparent Employment Practises		

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Leadership Development

- Market leaders prioritise the identification of leadership potential as well as the creation of comprehensive developmental paths for current and future managers and leaders
- Talent will remain of they are identified as leaders and groomed accordingly

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